

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**CHINA MACHINERY ENGINEERING CORPORATION**

Applicant

-and-

**2284649 ONTARIO INC., 2270613 LIMITED PARTNERSHIP  
and 2270613 ONTARIO INC.**

Respondents

Application Under Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43, as amended, and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

**AFFIDAVIT OF YUEQING ZHANG  
(sworn June 14, 2018)**

**VOLUME 2 OF 3**

**MILLER THOMSON LLP**  
40 King Street West  
Suite 5800  
Toronto Ontario  
M5H 3S1, Canada

**Kyla Mahar LSO#: 44182G**  
Tel: 416.597.4303 / Fax: 416.595.8695

**Gregory Azeff LSO#: 45324C**  
Tel: 416.595.8695 / Fax: 416.595.2660

Lawyers for the Respondents, 2284649 Ontario Inc.,  
2270613 Limited Partnership and 2270613 Ontario Inc.

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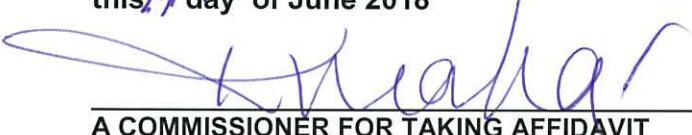
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This is Exhibit "Y" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

  
A COMMISSIONER FOR TAKING AFFIDAVIT

	<b>Contract Date</b>		<b>Signed Contract with</b>	<b>Service For</b>
1	January 27, 2011	JD Development Phillip St. Ltd.	MacKinnon & Associates	Landscape architectural design.
2	January 31, 2011	JD Development Canada Corp.	MCL	Architect design and service.
3	April 8, 2011	JD Development Phillip St. LP	MTE	Sanitary engineering service
4	September 12, 2011	JD Development Phillip St. Ltd.	RWDI	Wind Engineering Service
5	December 29, 2011	JD Development Phillip St. Ltd.	CVD	Geotechnical Study
6	August 9, 2012	JD Development Phillip St. LP	Larden Muniak	Code Consulting Service
7	August 9, 2012	JD Development Phillip St. Ltd.	Krcmar	Surveying Service
8	August 23, 2012	JD Development Group	IBI	Civil Engineering Service
9	October 10, 2012	JD Development Phillip St. Ltd.	Stephenson	Structural Engineering
10	November 1, 2012	JD Development Group	Stephenson	Building Envelope Design & Review
11	November 8, 2012	JD Development Phillip St. LP	EMCAD	Mechanical & Electrical Engineering
12	November 19, 2012	JD Development Phillip St. Ltd.	Hudson Kruse	Interior Design
13	November 23, 2012	JD Development Phillip St. Ltd.	Golder Associates	Pre-Demolition Designated Substance Survey
14	December 18, 2012	JD Development Canada Corp.	MCL	Architectural Additional Service
15	May 27, 2013	JD Development Group	Altus Group	Cost Consultant
16	September 16, 2013	JD Development	EXP	Building Envelope Design & Review
17	January 17, 2014	JD Development Phillip St. Ltd.	Melloul Blamey Construction Inc.	CCDC Contract
18	February 13, 2014	JD Development Phillip St. Ltd.	Phoenix	Security Design
19	February 14, 2014	JD Development Phillip St. Ltd.	Energex	Energy Management
20	February 19, 2014	JD Development Phillip St. Ltd.	GSP	Planning Consultant
21	August 23, 2014	JD Development Phillip St. LP	Paradigm Transportation Solution	Traffic Design

January 27, 2011  
JD Development  
Highway 7E, Unit 903  
Markham, ON L3R 0M3

C/O Mr. Alberto Menéndez

Attention: **Mr. Alberto Menéndez, P.Eng.**

Dear Mr. Menéndez,

**Re:** Proposed Student Housing, 256 Phillip Street, Waterloo  
Landscape Architectural Fee Estimate

Further to our discussion, we are pleased to provide the following estimate of fees to provide landscape architectural services in support of a site plan application for the proposed Student Housing to be constructed on Phillip Street in Waterloo.

Based on a review of the preliminary site plans, we note the building type and landscape approach will be consistent with the student residence projects already in process on King and Regina Streets, applied at a larger scale. We understand the project will be developed in two phases, though the site plan approval application will be for the entire site. We also expect that City interest in the site design will be significant, and given the size of the site it will take several revisions to resolve a final landscape design acceptable to City staff. Accordingly our scope of work is as follows:

#### **Part A - Tree Management for Site Plan Approval**

- Site visit to review existing trees – we note close to 100 trees on the site that, while not likely to be preserved, will need to be evaluated as per City of Waterloo guidelines.
- Meet with City of Waterloo Forester to confirm tree management recommendations.
- Prepare Tree Management Plan for City review and approval. (Surveyed base plan with tree locations to be provided by the Client.)

**Total Cost Part A - \$1,100 + \$100 in Disbursements, HST extra** (All printing of submission sets is by others – final stamped digital PDF drawings will be provided to the project coordinator.)

#### **Part B – Landscape Design for Site Plan Approval**

- Prepare preliminary landscape plan for Client review. All design work to be as per the minimum requirements of the City of Waterloo Urban Design Guidelines, and consistent with the design approach taken at the Regina Street and King Street projects. We assume that Digital CAD site, engineering and lighting plans will be made available by the Client;
- Revisions as per City landscape comments & minor site plan changes (maximum of three).
- Provide final OALA stamped Landscape Plan in support of a site plan application;
- Prepare preliminary landscape construction cost estimate.
- Attend one Site Plan Review Committee meeting.
- Allowance for two meetings, either with the consultant team or with City staff.

**Total Cost Part B = \$5,800 + \$150 in Disbursements, HST extra** (All printing of submission sets is by others – final stamped digital PDF drawings will be provided to the project coordinator.)

Mr. Alberto Menéndez, P.Eng.  
January 27, 2011  
Page 2 of 2

#### Part C – Site Inspection and Certification

Contract administration will vary depending on scope of services required (attendance at site meetings, involvement in tendering process, number of inspection required etc.) At a minimum, site inspections to review installed elements and provide final certification are anticipated:

- Site visits to review installed landscape elements and confirm compliance with the approved plans.
  - Provide appropriate correspondence (deficiency report, certification letter) to support site inspections.
- Allowance is made for two (2) site inspections for each of two phases of construction (total of 4 inspections). Additional inspections as required due to deficient installations would incur additional fees.

Any other required contract administration services would only proceed at the Client's direction.

**Total Cost Part C = \$1,500 + \$50 Disbursements, HST extra**

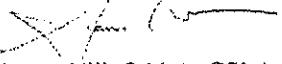
Finally, based on previous experience with similar projects, we anticipate that landscape construction drawings will be necessary to address the complexities of construction on top of the underground parking structure. This design work is typically done in conjunction with the structural design of the parking structure at the building permit submission phase. Pricing for this phase of work, if required, can be provided once the landscape elements have been confirmed through budgeting and site plan approval.

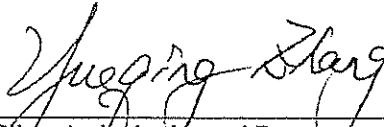
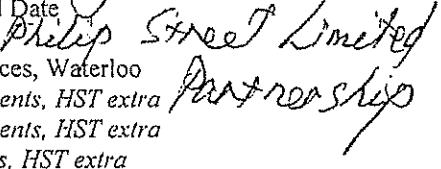
Hourly rates for our professional staff are as follows (2011 rates)

Senior Landscape Architect	\$100/hour
Intermediate Landscape Designer/Site Inspector	\$80/hour
AutoCAD operator	\$70/ hour

We trust that the above is consistent with your request, and would ask that if acceptable, that you endorse below and return to our office by fax or e-mail as authorization to proceed. Should you have any questions or concerns, please contact me directly.

Yours truly,  
**MacKinnon & Associates**

  
Aaron Hill, OALA, CSLA  
Landscape Architect

  
Client Authorization and Date  
JD Development   
Phillip Street Student Residences, Waterloo  
Part A = \$1,100 + \$100 Disbursements, HST extra  
Part B = \$5,800 + \$150 Disbursements, HST extra  
Part C-\$1,500 + 50 Disbursements, HST extra



**INVOICE**

IN ACCOUNT WITH:

CLIENT:	JD Development Philip Street Ltd. Partnership Attention: Mr. Hao Zhang 3601 Highway 7 East Suite 903 Markham, Ontario L3R 0M3	Date	October 11, 2011
		Invoice No.	8531
		Reference No.	2011-18
		HST REG.	R124692815

PROJECT: 256 Philip Street Waterloo - Student Housing

DESCRIPTION: Landscape Architectural Services

BILLING PERIOD: September 1, 2011 - September 30, 2011

WORK PERFORMED: Attend project coordination meeting  
Site review to evaluate existing trees  
Prepare Tree Management Plan  
Prepare landscape concepts for City review  
Provide final Landscape Plan for submission

Company	Code	Process	Receive
Mackinnon	1533		10.20.11
Payment Company			
Payment Method			
Approved By			
Processed By			

STAFF SUMMARY:

Aaron Hill	Principal Landscape Architect	Hours
Bruce Martin	Landscape Technologist	18.25
Carolyn Neubauer	AutoCAD Operator	41.50
		16.25

Sub-Total Fees \$5,402.50

DISBURSEMENTS:



Courier	\$0.00
Printing	\$24.56
Fax	\$0.00
Photocopies	\$0.00
Telephone	\$0.00
Miscellaneous	\$0.00
Mileage	\$141.75

EXTRAS

Attend one (1) additional project meeting	
Aaron Hill	Principal Landscape Architect

4.50 \$450.00

Mileage \$70.00

Sub-Total Disbursements \$166.31

Harmonized Sales Tax (HST) @ 13% \$791.55

TOTAL AMOUNT PAYABLE \$6,880.36

TOTAL OUTSTANDING ACCOUNT BALANCE	Current \$6,880.36	31 - 60 Days	61 - 90 Days	Over 90 Days

*This invoice is due when rendered.*

*Amounts outstanding after 30 days are subject to interest charges of 2% monthly.*

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## MCKNIGHT • CHARRON • LAURIN INC. ARCHITECTS

Tel: 705-722-6739  
Fax: 705-726-5418  
[www.MCLarchitects.ca](http://www.MCLarchitects.ca)

67 High Street  
Barrie, Ontario  
L4N 1W5

31 January 2011

Julia Zhang  
JD Development Canada Corp.  
3601 Highway 7 East,  
Suite 903  
L3R 0M3 Markham ON

**Re:** Proposed Four Building Development with two 20 Storey and two 25 Storey Student Residence Towers on Philip Street, Waterloo (approx. 450 five bedroom units) plus ground floor commercial space (base building) along Philip Street on the first level of the two Philip Street Towers

Dear Julia:

Thank you for inviting our firm to prepare fee proposals for your Student Residence project on Philip Street in Waterloo.

This project consists a Four Building Development with two 20 Storey and two 25 Storey Student Residence Towers on Philip Street, Waterloo (approx. 450 five bedroom units) plus ground floor commercial space (base building) along Philip Street on the first level of the two Philip Street Towers and also includes a one-storey (or possibly two storey) underground parking level under most of the site. All floors would be the same layout except for the ground floor and the top two floors which may vary a little to provide a sculpture effect at the top of the building. There might be an optional one-storey amenity space building at the rear of the courtyard, which would serve all the buildings. It is assumed that the project would be completed in one phase and would be constructed using the Construction Management method.

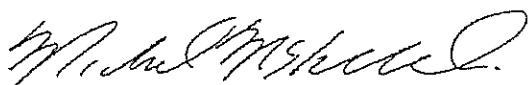
Our fee for design, working drawings and construction review for Architectural services would be a lump sum of \$690,000.00 + HST.

We would include a computer-generated rendering and design-level floor plans for marketing in our work.

I understand that your firm will be hiring the Mechanical, Electrical and Structural Engineers for the project(s) as well as the Site Services Engineer and Landscape Architect. We assume that the design of the living units will be the same as the design of the units on the King and Regina Street projects. We also assume that same engineering and landscape consultants will be engaged on this project as on the King & Regina St. projects, with which we are all involved.

Thank you giving us the opportunity to work on these student residences. I am really looking forward to working with you on this project. Please call if you have any questions or would like me to attend a meeting.

Regards,

A handwritten signature in black ink, appearing to read "Michael McKnight".

Michael McKnight, A. Arch. OAA



April 7, 2011

File: Proposal – JXM

Mr. Alberto Menendez  
JD Development Phillip Street Limited Partnership  
3601 Highway 7 E, Suite 903  
Markham, Ontario, L3R 0M3

**By Email Only**

Dear Mr. Menendez,

**Re: Proposal for Engineering Services  
Phillip Street Sanitary Service, Waterloo, Ontario**

Thank you for providing MTE with this opportunity to quote on engineering services for this project. Further to our discussion, we are pleased to provide you with the following Work Program and Schedule of Fees for the above noted project.

Over the years we have successfully completed more than 6,000 projects throughout Ontario (and across Canada), providing our clients with value added services, meeting their timelines and satisfying their objectives. As the leading provider of civil engineering services in this region, we have highly qualified staff who are trusted to provide innovative engineering solutions and management expertise. In addition to traditional site development engineering (surveying, grading, servicing and storm water management design, construction inspection, etc.), we can also offer:

- structural engineering
- potable water supply and treatment
- hydrogeologic studies for water supply
- wastewater treatment and disposal (septic systems, treatment plants, pumping stations, etc.)
- hydraulic modelling and floodplain assessment
- Registered Ontario Land Surveyors
- construction layout including underground services and buildings
- Phase 1 and 2 Environmental Site Assessments
- noise studies
- M.O.E. certified water sampling
- Designated Substance and Asbestos compliance Audits
- Mould and Indoor Air Quality Assessments

MTE has maintained our reputation while diversifying these skills. We are dedicated to our clients' needs and work hard at providing an exemplary product to the client.



Mr. Menendez  
April 7, 2011  
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## WORK PROGRAM

### 1.0 BASE PLAN PREPARATION

Utilizing the existing Plan and Profile of Phillip Street and some field investigation, MTE will create a base plan. From the base plan, the detailed sanitary sewer engineering design will commence.

### 2.0 ENGINEERING DESIGN

#### 2.1 Sanitary Design and Technical Memo

As already initiated, MTE will consult with the City to determine any lateral elevations, confirm pipe sizes, alignment and grade. MTE will also liaise with local utilities (Hydro, Bell, Cable TV, Gas, etc) in order to identify any possible conflicts. Once this has been completed, MTE will create a proposed Conditions Plan (Plan & Profile) of Phillip Street from 256 Phillip Street to the intersection of Phillip Street and University Avenue. A technical memo as well as final sanitary sewer design sheets, an existing catchment plan and an updated sanitary catchment plan will be prepared to accompany the submission to the City of Waterloo and the Region of Waterloo.

#### 2.2 MOE Approval

Once we have received approval from the local municipalities, MTE will prepare and submit the required information for MOE approval of underground sanitary service.

### 3.0 TENDER PROCESS

The City of Waterloo will allow the site contractor, who must be approved by the City, to install the new sanitary sewer on Phillip Street; therefore, there would not be an actual tender process. However, MTE will prepare a schedule of items and Construction Cost Estimate.

### 4.0 CONSTRUCTION ADMINISTRATION AND INSPECTION

MTE will work with the contractor and coordinate road closures with the City and the Region. This type of work requires full time inspection. MTE requires at least 48 hours notice prior to the work commencing. Given the nature of the work, this service is typically invoiced on an hourly basis. A budget figure has been provided assuming 5 days of construction, as well as the final inspection and certification, and issuance of two to three Site Instructions/Change Orders as required for contract administration.

### 5.0 MEETINGS

Due to the variable nature of this service, [all time expended at meetings] will be invoiced on an hourly basis. For budgeting purposes, a contingency fee has been provided for our attendance at two meetings.

A handwritten signature, appearing to read 'J. Menendez', is placed here.



Mr. Menendez  
April 7, 2011  
Page 3

## SCHEDULE OF FEES

Service	Budget Estimate (invoiced as per diem)	Fixed Fee
1.0 Base Plan Preparation		\$1,000.00
2.0 Engineering Design		
• Sanitary Design and Technical Memo		\$3,800.00
• MOE Approval		\$1,000.00
3.0 Tender Process		\$500.00
4.0 Construction Administration and Inspection	\$3,900.00	
5.0 Meetings ZX	\$700.00	
TOTAL FEES	\$4,600.00	\$6,300.00
EXPENSES		\$700.00

In addition to the above fees, expenses will be charged in accordance with the attached schedule. For budgeting purposes, expenses are estimated at \$700.00 for this assignment.

*Note: All fees exclude H.S.T. and all application and review agency fees.*

In addition, the above quote for engineering services does not include a geotechnical investigation to determine the condition of the native soils. However, we would be pleased to co-ordinate a geotechnical investigation for you.

We trust the foregoing proposal encompasses the work you will require on this project. If the proposal is satisfactory and you are in agreement with the attached Standard Terms and Conditions, please sign below to authorize our Firm to proceed with the work.

A handwritten signature consisting of stylized, flowing lines that appear to begin with the letters "Y" and "Z".

Mr. Menendez  
April 7, 2011  
Page 4



Should you have any questions concerning this proposal, please contact this office at your convenience.

Yours truly,

MTE CONSULTANTS INC.

Jeremy MacCulloch  
Project Manager

Shelley McIntosh, P. Eng.  
Technical Manager, Site Development Division

Attach.

L:\SITE DEVELOPMENT\Marketing\Proposals\2011\JD Development, Phillip Street, Waterloo.doc

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SIGNED AUTHORIZATION TO PROCEED

I hereby authorize MTE Consultants Inc. to proceed with the work program outlined in the above proposal for Phillip Street Sanitary Sewer, Waterloo (Fixed design fee \$6,300; Estimated Construction Administration and Inspection fee \$4,600) and the attached Standard Terms and Conditions.

Signed

  
April 8, 2011

Dated



## STANDARD TERMS AND CONDITIONS

Effective July 2010

**Timing:** This proposal expires and is null and void after 60 days. If this proposal is accepted, these terms and conditions shall remain in full force and effect for the duration of the project. No amendment or waiver of these terms and conditions shall be binding unless in writing and executed by the parties hereto. No waiver of any of these terms and conditions shall constitute a waiver of any other term or condition, nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

**Terms of Payment:** MTE Consultants Inc. (MTE) fees, reimbursable expenses, and applicable taxes (HST/GST, etc.) will be billed monthly for the work completed to date. All invoices are payable upon receipt. Interest at 1.5% per month (19.56% per year) shall be paid on the total unpaid balance, commencing 30 days after the date of the invoice.

**Reimbursable Expenses:** See Schedule below.

**Termination:** The client may at any time, upon reasonable written notice to MTE suspend or terminate the services or any portion thereof at any stage of the undertaking. Upon receipt of such written notice, MTE shall perform no further services other than those reasonably necessary to close out the project. If the client fails to pay MTE within 30 days after submission of an invoice or the client changes significantly the requirement for services, MTE may terminate this agreement by notice in writing to the client. In the event of suspension or termination of the project by either MTE or the client the terms and conditions herein shall remain in full force and effect notwithstanding such termination and the client shall pay MTE for all services performed including reimbursable expenses, fees, and applicable taxes, whether or not such amounts have been billed to the client prior to such termination.

**Change In Services:** The client may, upon reasonable written notice to MTE and MTE's written acceptance, amend its requirement for the services forming the subject of this agreement. In the event of any change accepted by MTE that requires additional staff, services, time or costs, the Client shall be responsible for the payment of same in accordance with the terms and conditions herein..

**Ownership:** The copyright in all documents including but not limited to drawings, reports, calculations, specifications, and other material generated by MTE is the sole property of MTE. The client shall have a non-exclusive, royalty-free license to use the documents for the purpose of completing the project. The client shall not use the documents other than for the purpose of execution of the project. The client authorizes MTE to use project related materials for promotional or educational purposes pursuant to a confidentiality agreement upon request. MTE retains the rights to the technology associated with any testing and research conducted.

**Digital Data:** MTE reserves the right to restrict or refuse access to all digital data produced by MTE. All digital data is provided on an "As-is" basis, whereby the client agrees to a "Use at Your Own Risk" understanding. In the event the client requests transfer of digital data to a third party, that third party will be required to enter into a digital data agreement with MTE, in MTE's form.

**Limitations of Liability:** With respect to the services performed by MTE, the client agrees that the liability of MTE, and its officers, directors, employees, agents and consultants (who shall collectively be included in the definition of "MTE" for purposes of this section), whether arising under this agreement, contract, tort, negligence, statutory liability or other legal theory, shall be limited to the direct and actual money damages effectively incurred by the

client, and in any event such liability shall not in the aggregate exceed the total fees paid to MTE for services rendered under this agreement, regardless of the number of claims. In no event shall MTE be liable for special, indirect or consequential damages, including but not limited to any claim for loss of profit, even if MTE has been notified of the possibility of such damages, and the client hereby waives any claim or recourse against MTE for such damages. The client agrees that it will not bring any claim or other proceedings against any of MTE's officers, directors, employees, agents or consultants in their personal capacity. Each of MTE and the client shall indemnify and save harmless the other party from and against all claims, actions, losses, expense, costs, or damages that the other party may incur as a result of the negligence or willful acts or omissions of the other party or its officers, directors, employees, agents or consultants in the performance of this agreement and the services hereunder, subject to the limitations set forth in this section.

**Responsibilities of the Client:** The client shall:

- Instruct MTE fully as to the client's requirements and make available to MTE all relevant information MTE requires, including design objectives, special systems or equipment, site requirements, and project budget. MTE shall be entitled to rely upon the accuracy and completeness of all such information and data furnished through the client or other consultants engaged on the project;
- Give MTE the authority to act as the client's agent in all matters falling within the scope of MTE's services, or where the client is an architect or agent acting on behalf of the owner, cause the owner to give MTE such authority;
- Review and respond promptly to all requests for approval and information submitted by MTE;
- Obtain and pay for, or where the client is an architect or agent acting on behalf of the owner, cause the owner to obtain and pay for, all consents, approvals, and permits from authorities having jurisdiction;
- Notify MTE immediately, whenever the client becomes aware of a defect or deficiency in the work, or contract documents;
- Fully disclose information of possible environmental contaminants and buried utilities, or where the client is an architect or agent acting on behalf of the owner, cause the owner to fully disclose such information;
- Identify in writing all information the client requires to maintain confidential.
- The client is responsible for obtaining permission for MTE to access the property for the purposes of completing the project and properly and fully carry out the agreement.

**Privacy:** The client understands and agrees that any personal information we may collect that is pertinent and necessary to the effective conduct of our business may be used for this expressed intent. MTE is committed to protecting the privacy and confidentiality of any personal information provided. Personal information is handled according to MTE's Privacy Policy for the collection, use and disclosure of personal information and the client hereby consents to the collection and use of such information in accordance with MTE's Privacy Policy.

**Assignment:** The client shall not assign this agreement without the express written permission of MTE, which permission may be arbitrarily withheld.

**Governing Law:** This agreement shall be governed by the laws of the Province of Ontario.

SCHEDULE OF REIMBURSABLE EXPENSES	
In-house Disbursements (including printing, plotting, photocopies, courier, telephone, consumables)	3.5% of Fees
Out of Pocket Expenses (e.g. meals, field supplies, lodging, other project specific expenses)	Cost + 10%
Subconsultant's Fee	Cost + 10%
Travel	\$0.55/km
Contract Printing (Reports, contract drawings, and documents)	Cost + 10%
<i>Note: Above Schedule of Reimbursable Expenses Subject to periodic updating.</i>	

I hereby acknowledge having read and understood the terms and conditions herein and accept such terms

Initials

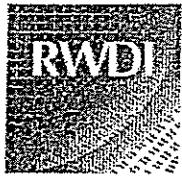
END OF STANDARD TERMS AND CONDITIONS

www.mte85.com

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CONSULTING ENGINEERS  
& SCIENTISTS

Tel: 519.823.1311  
Fax: 519.823.1316

Rowan Williams Davies & Irwin Inc.  
650 Woodlawn Road West  
Guelph, Ontario, Canada  
N1K 1B8



256 Phillip Street  
Waterloo, Ontario

## Proposal

### Wind-Engineering Services

RWDI # 1100842P  
September 8, 2011

#### SUBMITTED TO

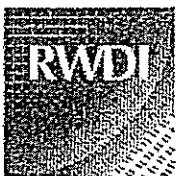
Michael McKnight  
McKnight Charron Laurin Inc. Architects  
67 High Street  
Barrie, Ontario  
L4N 1W5  
Michael@MCLarchitects.ca  
Tel: 705-722-6739

#### SUBMITTED BY

Dan Bacon  
Senior Project Manager/Associate  
Rowan Williams Davies & Irwin Inc.  
Consulting Engineers  
650 Woodlawn Road West  
Guelph, ON N1K 1B8  
Dan.Bacon@rwdi.com  
Tel: 519.823.1311, x 2245  
Fax: 519.823.1316

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Barrie, Ontario  
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September 8, 2011

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## EXECUTIVE SUMMARY

Thank you for your interest in RWDI's pedestrian wind engineering services. We are pleased to submit this pedestrian wind services proposal for your consideration, as per your request. For detailed information on our methodology, extensive experience, and terms and conditions of contract, you are invited to review the appendices supporting this summary document.

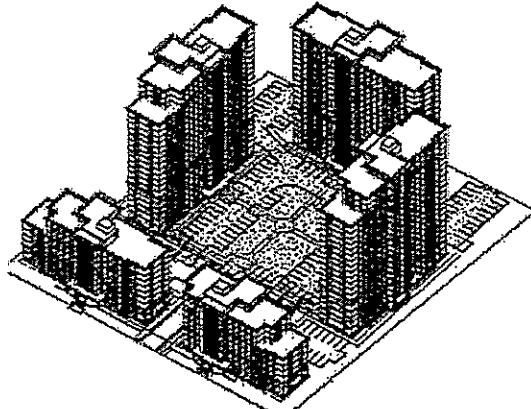
Based on a review of the drawings and taking into account the size of the development we would recommend a pedestrian wind tunnel study to meet your application to the City. A preliminary letter providing our initial opinion of the wind conditions around the proposed development can be provided prior to a wind tunnel study to meet any immediate submissions to the City, if required.

### Project

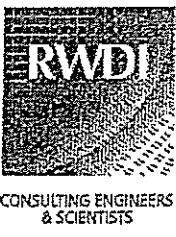
It is our understanding that the 256 Phillip Street project located in Waterloo, Ontario, will be developed in a phased approach. Our proposal has assumed two phases in the base fee, with optional fees for additional configurations for phasing, if required.

We have completed a number of similar studies that will make RWDI a natural fit for your team who we have worked with on other projects. RWDI has been providing wind studies to the world design community since 1972. Current and past Waterloo area projects include:

- 256 Phillip Street Student Residence
- Clarica Westmount Place
- Kaster Farms
- Burnett Avenue
- University of Waterloo
- Seagram's Lofts
- Whitney & Co.
- Descartes Office
- Ottawa Street Landfill
- 26 Dorset
- Waterloo Town Square
- Bauer Buildings
- University of Waterloo Quantum-Nanotechnology Building
- 40 Regina Street
- X-Flats Condominium – 331 King Street
- The 42 at Bridgeport and Peppler
- One University Avenue West
- 36-40 Regina Street
- WLU Athletic Complex Pool Systems



H.Z.



## Pedestrian Wind Tunnel Study

**Purpose:** The objective of this study is to provide the design team with an early quantitative assessment of the predicted wind conditions in and around the project site so that if adverse conditions are identified, there is time to develop and incorporate mitigation concepts into the design that may be required in order to improve pedestrian wind conditions. Testing will focus on critical pedestrian areas and amenity spaces and will be used to describe wind control measures to enhance pedestrian comfort where required.

**Proximity Model:** A model of the existing buildings within a 1600 ft radius of the centre of the development site will be constructed at a 1:400 scale. The buildings immediately surrounding the study site will be modelled in more detail than buildings beyond this radius. Surroundings beyond the limits of the proximity model will be appropriately simulated by spires and roughness blocks situated on the wind tunnel floor upwind of the study model. This will provide an accurate representation of the wind speed and turbulence profiles of wind approaching the study model.

**Test Model and Instrumentation:** To conduct the pedestrian wind tunnel study, wind speed sensors that are used to measure the mean and gust wind velocities at a full-scale height of 5 ft above ground, will be installed on the model taking into consideration outdoor pedestrian-use areas around the proposed development. Attention will be paid to wind sensitive areas such as the entranceways, building corners, and any other pedestrian-accessible areas around and on the development.

**Wind Tunnel Testing:** The test model together with the proximity model will be tested in our boundary layer wind tunnel where the natural wind speed and turbulence levels will be simulated. During the tests, wind speed data will be collected for 36 equally spaced wind directions.

**Test Configurations:** Three configurations of the study site and surroundings will be tested for our base studies:

- **Existing:** the existing surroundings, with any buildings currently on site
- **Proposed:** the proposed development - Phase 1, including all existing surrounding buildings
- **Future:** the entire proposed development including all Phases and existing surrounding buildings

**Analysis:** The wind tunnel data will be analysed together with the area's long term meteorological statistics to predict how often selected wind speed ranges will occur at each location. Results will be reviewed against recognized comfort criteria to determine the types of pedestrian activities suitable for the predicted wind conditions (e.g., walking, sitting or standing). The resultant comfort levels will be compared to the pedestrian activities planned in each area.

**Results:** A final report will be submitted at the conclusion of the project. This report will contain a discussion of the wind activity around the proposed development in terms of pedestrian comfort and safety. The report will also provide conceptual recommendations for wind control should unacceptable wind conditions be identified. Detailed testing of design mitigation options is not included in this scope of work.

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## Other Services

Following is a list of other services provided by RWDI that may add value to this project. A detailed proposal can be provided upon request.



**WIND**  
Pedestrian Comfort  
Wind Energy  
Natural Ventilation  
Cladding Loads  
Structural Loads



**NOISE**  
Environmental Impacts  
Acoustics



**AIR QUALITY**  
Exhaust Dispersion  
Risk Assessment  
Regulatory Permitting



**VIBRATION**  
Structural Motion  
Environmental Impacts



**SUN**  
Solar Loads  
Solar Energy  
Glare/Shade  
Thermal Comfort



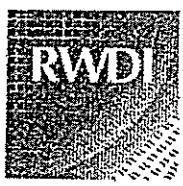
**SNOW/ SAND**  
Ground Level Drifting  
Roof Loads  
Falling Ice & Snow



**VENTILATION**  
Energy Modelling



**METEOROLOGY**  
Database  
Analysis



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## BUDGET AND SCHEDULE

Study Type	Firm Price (CDN)	Current Schedule
Pedestrian Wind Tunnel Study (Three configurations)	\$18,000*	4-6 weeks
Additional Configurations	\$4,500	TBD

\*Note: Fee includes preliminary letter prior to wind tunnel tests.

Project schedule is initiated upon receipt of written authorization, the required initial payment and all necessary information. Our typical timing is shown above. Timing better than that shown would be dependent on receipt of authorization and receipt of all required information as outlined in Appendix III. Schedule presumes a signed agreement is received prior to the start date.

## YOUR RWDI TEAM

RWDI Consulting Engineers enjoys a trusted 38-year reputation for our deep knowledge and sophisticated technology solutions for wind engineering and environmental projects. From offices in Canada, United Kingdom, the U.S. and abroad, our consultants meet the world's most complex structural and architectural challenges with experience, knowledge and superior service.

Our staff is the best in our field, using advanced engineering tools and carefully defined consulting processes to deliver focused and proven results:

**Project Director** Hanqing Wu, Ph.D., P.Eng.: Hanqing joined RWDI as a Senior Engineer in 1998 and has since become a Senior Specialist and Project Director in Microclimate. His areas of specialization include pedestrian winds, thermal comfort, cladding and structural wind loads, snowdrifting, rain infiltration, air quality, and other areas. He is a licensed professional engineer in the provinces of Ontario, Manitoba and Nova Scotia in Canada, and member of American Society of Civil Engineers.

**Senior Project Manager** Dan Bacon: Dan will be your primary contact and ensure that the scope and quality of the provided services are consistent with the proposed objectives and schedule.

**Project Administrator** Kyla Rowntree: Kyla will be your secondary contact in Dan's absence and will assist with internal project coordination.

Senior Leadership from our Wind Engineering Group will be assigned the role of Project Engineer, overseeing modeling and participating in data analysis and recommendations.



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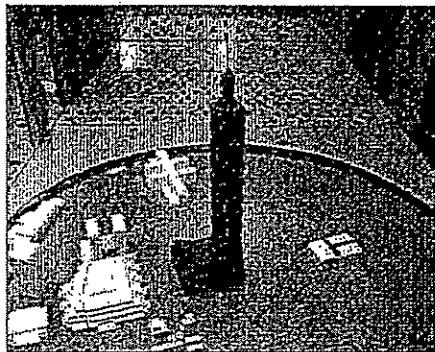
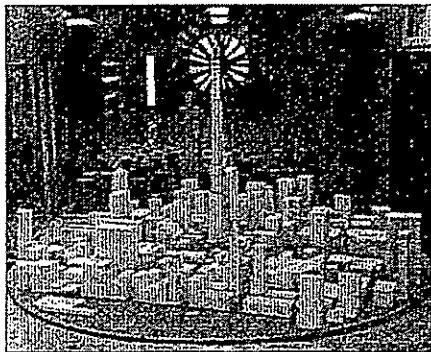
## **RESOURCES: ADVANCED ENGINEERING TOOLS**

**Design Reviews:** RWDI identifies issues, establishes criteria, and provides solutions where appropriate to help you avoid potential mistakes down the road.

**Numerical Testing/Modelling:** Numerical computer models are based on engineering equations used to describe physical processes. They range from simplistic "screening level" models to highly detailed, computationally-intensive models (requiring thousands of data inputs and days of computer run-time).

RWDI has proprietary software developed over 25 years. A number of these numerical models have replaced wind tunnel modelling, resulting in lower cost testing in some applications. RWDI uses numerical models/processors within the following categories: Exhaust Dispersion, Wind Speed & Direction, Noise & Vibration, Risk Assessments, Snow Drifting, Solar, Shadow & Glare.

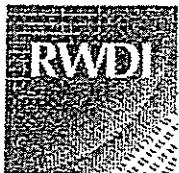
**Wind Tunnel Testing:** Most codes and standards recognize that wind tunnel testing can produce reliable information for designers, especially when their projects are in complex terrain or on exposed sites. Wind tunnel tests in a boundary layer wind tunnel allow for the natural wind profiles and turbulence effects to be simulated. For accuracy, it is important to simulate the mean wind speed profile and turbulence effects within the atmospheric boundary layer. Our facilities include several boundary layer wind tunnels, an open channel water flume and advanced computer modeling capabilities including Computational Fluid Dynamics (CFD). RWDI also has an in-house model shop that uses Stereolithography technology, integrated data acquisition, storage and processing systems, computer-aided drafting and a broad base of specialized instrumentation.



Examples of scale models of high-rise buildings in one of RWDI's boundary-layer wind tunnels

Interested in learning more? Please visit our Web site at [www.rwdi.com](http://www.rwdi.com) for information on these and other services and projects, or contact me at 519-823-1311 ext. 2245.

H.Z.



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## CONCLUSION

Thank you for your interest in working with RWDI Consulting Engineers on this project. If you wish us to proceed with these services, we have included a letter of authorization in Appendix IV.

We appreciate the opportunity to provide this proposal. Should you have any questions please feel free to contact me.

Respectfully submitted by:

Dan Bacon  
Senior Project Manager/Associate

H.Z.

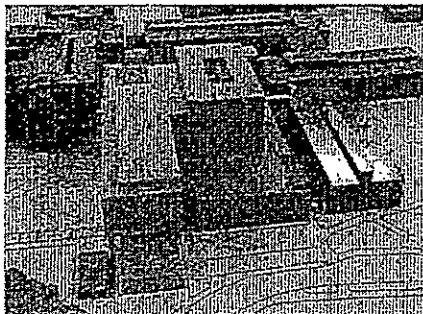


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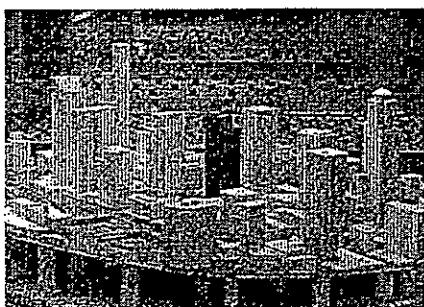
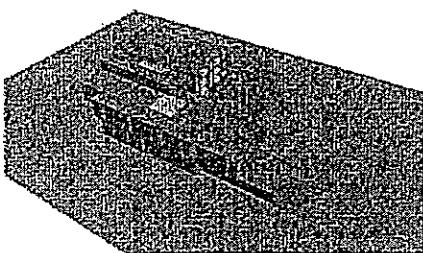
## APPENDIX I: CREDENTIALS



### University of Waterloo Quantum Nano Centre Waterloo, Ontario

RWDI was retained by the University of Waterloo and Kuwabara Payne McKenna Blumberg (KPMB) Architects to study the proposed 22,296-square-metre Quantum-Nano Centre facility. The facility incorporates two atrium spaces, a green roof recreation area, lecture rooms and specialized laboratories including a clean room.

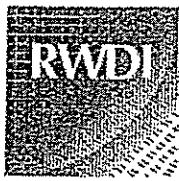
Studies performed by RWDI included an exhaust re-entrainment assessment using physical dispersion modelling (i.e., wind tunnel testing); regulatory modelling to show compliance with applicable air and noise limits; vibration assessment for building siting; and sustainable design studies which included an environmental and site condition assessment, energy simulation model development, earth tube performance assessment study, and natural ventilation analysis for the office and laboratory spaces. RWDI's unique wind tunnel experience was utilized to refine inputs to the energy modelling simulations.



### Madison Financial Center Houston, Texas

Pedestrian wind, structural, and cladding studies were performed for this 35-story office tower. The wind tunnel testing was performed on a contoured disk because of the steep terrain in the surrounding area.

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## APPENDIX II: REQUIREMENTS

Prior to commencing the proposed studies, we require the following information:

- written authorization to proceed (signed RWDI Letter of Authorization);
- if available, a 3D CAD model of the development;
- up-to-date architectural drawing files in Auto CAD format (all floor plans, elevations, roof plans, site plan showing north) for the construction of the study development. It would be of significant benefit for our use if any non-building features such as shadows or curved face contour lines can be removed or placed on separate layers. We also request that any drawings using XREFs be bound; and
- for wind tunnel studies, any available information regarding the surroundings within a 500 m radius of the site, including elevations of existing buildings, aerial photographs, and site photographs.

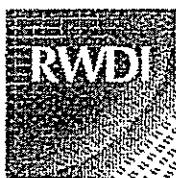
## APPENDIX III: TERMS

Please note that all pricing is in CDN dollars and includes professional fees and anticipated office expenses (photocopying, telephone calls, courier). Travel expenses and any applicable taxes are extra. Payment in full will be due upon completion and submission of letter of opinion/report.

Should the project be delayed or cancelled for reasons beyond the control of RWDI, an invoice proportional to the amount of work completed up to the time of the project delay or cancellation would be submitted including any significant demobilization costs. If the project is resumed after being suspended for more than three months, RWDI's compensation shall be equitably adjusted.

The fees and schedule quoted in this proposal will be considered valid for a period of 30 days, after which, we reserve the right to revise the quotation, if appropriate.

H.Z.



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## APPENDIX IV: LETTER OF AGREEMENT

We hereby authorize Rowan Williams Davies & Irwin Inc. (RWDI) to provide the services outlined in this proposal, reference #1100842P, dated September 8, 2011, for the 256 Phillip Street project, to be located in Waterloo, Ontario.

Study Type	Firm Price (CDN)	Approved Studies
Pedestrian Wind Tunnel Study (Three configurations)	\$18,000*	<input checked="" type="checkbox"/>
Additional Configuration	\$4,500	<input checked="" type="checkbox"/> It necessary

\*Note: Fee includes preliminary letter prior to wind tunnel tests.

Rowan Williams Davies & Irwin Inc.

CLIENT

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Name

Hao Zhang

Name

\_\_\_\_\_

Title - I have authority to bind the corporation

Title - I have authority to bind the corporation

Date

Sept. 12, 2011

Date

RWDI and the Client agree that this Proposal may be communicated and/or accepted by email or fax transmission and that the said communication and/or acceptance shall be legal and binding upon RWDI and the Client. RWDI and the Client further agree that reproductions of signatures by telecommunications will be treated as original signatures.

**From:** Michael McKnight  
**To:** ["hao.zhang"](#); ["Julia Zhang"](#); ["John Chernilian"](#)  
**Cc:** ["Steve Charron"](#); ["Brad Green"](#); ["Rob Buchanan"](#); ["Faye Dejean"](#)  
**Subject:** FW: RWDI Proposal - 256 Phillip Street - 1100842  
**Date:** Saturday, September 10, 2011 3:33:55 PM  
**Attachments:** [ATT00715.bmp](#)  
[image001.jpg](#)  
[110908 RWDI Proposal - 256 Phillip Street - 1100842.pdf](#)

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Hi Hao:

As discussed yesterday, I have reviewed the attached wind study proposal from Dan Bacon at RWDI and I find it acceptable.

I would like to Dan to proceed with his work as soon as possible. RWDI can work directly for J. D. or for our firm, whichever you prefer. How we work together will be the same in either case.

If you approve the fee proposal, please send a signed copy back to RWDI and copy our office. If you want RWDI to work for our firm, we will add their fee to our invoices at as a disbursement.

Regards,

**Michael McKnight**  
McKnight Charron Laurin Inc. Architects  
Tel: 705 - 722-6739 - Ext. 124  
Fax: 705 - 726-5418  
67 High Street  
Barrie, Ontario  
L4N 1W5

[www.MCLarchitects.ca](#)

---

**From:** Kyla Rowntree [mailto:[Kyla.Rowntree@rwdi.com](mailto:Kyla.Rowntree@rwdi.com)]  
**Sent:** Thursday, September 08, 2011 5:36 PM  
**To:** [Michael@MCLarchitects.ca](mailto:Michael@MCLarchitects.ca)  
**Cc:** Dan Bacon  
**Subject:** RWDI Proposal - 256 Phillip Street - 1100842

Good Afternoon,

On behalf of Dan Bacon, please find attached (provided in pdf format) our proposal for the 256 Phillip Street project. Kindly verify by return email that you have successfully received our proposal.

If you have any questions, please do not hesitate to contact us.

With kind regards,

**Kyla Rowntree**

*Senior Project Administrator*

Rowan Williams Davies & Irwin Inc. (RWDI)

Consulting Engineers & Scientists

650 Woodlawn Road West

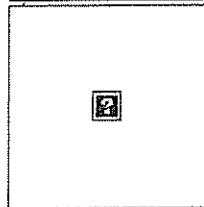
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[Kyla.Rowntree@rwdi.com](mailto:Kyla.Rowntree@rwdi.com)



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# CHUNG & VANDER DOELEN ENGINEERING LTD.

Geotechnical Engineering, Construction Inspecting  
& Testing, Environmental Services

311 Victoria Street North  
Kitchener, Ontario, N2H 5E1  
Telephone: 519-742-8979  
Facsimile: 519-742-7739  
E-Mail: info@cvdengineering.com

December 29, 2011  
File No.: P11205

JD Development Group - Phillip Street Limited  
3601 Highway 7 East, Suite 903  
Markham, Ontario  
L3R 0M3

Attention: Mr. Hao Zhang, Project Director

**Re: Proposal for Supplementary Geotechnical Investigation  
Proposed High-Rise Apartment Buildings  
256 Phillip Street, Waterloo, Ontario**

CHUNG & VANDER DOELEN ENGINEERING LTD. (CVD) is pleased to provide this proposal to carry out a supplementary geotechnical investigation for the above-noted project.

In preparing this proposal, CVD reviewed the documents provided (existing geotechnical reports and development plans), visited the site to familiarize ourselves with the site condition, reviewed soils information previously gathered by CVD in the general vicinity of the site, and discussed anticipated loadings and foundation design concepts with your structural engineer.

It is our understanding that five (5), 20 to 24 storeys high apartment buildings are proposed at the site. The one-level underground parking will cover most of the site and is proposed to lie at elevation 338.0 m. The present site grades drop  $7\pm$  m gradually in a southwesterly direction. The existing elevations at the four corners of the site are  $345.7\pm$  m (NE),  $338.6\pm$  m (NW),  $340.1\pm$  m (SW) and  $341.8\pm$  m (SE). Groundwater was reported to be at depths of 3.6 to 6.5 m below ground surface, corresponding to elevations between 336.4 and 337.0 m.

CVD understands that raft foundations are being considered to support the proposed buildings. The anticipated loading will be in the order of 200 to 250 kPa (4000 to 5000 psf) for raft foundations supporting the proposed 20 to 24 storey apartment buildings according to discussions with the structural engineer. The footprints of the individual apartment towers vary between 18 and 22 m in width and between 40 and 60 m in length.

Based on our review of the existing geotechnical reports prepared by others, our knowledge of the soils in the general vicinity of the site and our experience with a 17-storey building supported by a raft foundation located on Lester Street, CVD believes raft foundation can be used to support the proposed buildings at the site.

JD Development Group  
Proposal for Supplementary Geotechnical Investigation  
256 Phillip Street, Waterloo, Ontario

December 29, 2011  
File No.: P11205  
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The recently performed geotechnical investigation by others includes only one (1) borehole to 20.27 m depth, two (2) boreholes to 12.65 m depth and seven (7) to between 6.55 and 8.08 m depth. CVD considers that there are an insufficient number of deep boreholes to cover the entire site for the anticipated high loading for raft foundation design. Additional boreholes and specialized in-situ testing are proposed in order to assess the competency, uniformity and compressibility of the soil deposits in order to calculate settlements, settlement response time and design parameters for raft foundation design.

CVD proposes to drill and sample two (2) boreholes to 20 m depth and conduct two (2) insitu dilatometer testings to 20 m depth to measure the necessary engineering properties of the soil. Dilatometer testing (DMT) can provide all the necessary geotechnical parameters required to assess the insitu soils at this site. CVD recently used this method successfully at another site this year for the purposes of raft foundation design. The proposed borehole and DMT locations are shown on the attached plan, and literature on DMT is also enclosed.

The raft foundation could be in the order of 1.5 m thick and this could locate the base of the raft foundation below the groundwater table. CVD will measure water levels at the six (6) existing monitoring wells located at this site and evaluate the potential impact of groundwater on foundation construction, and methodology of managing/controlling the groundwater.

Based on the findings, CVD will provide geotechnical recommendations to address the following items:

- Subsurface soil and groundwater conditions
- Raft Foundation design recommendations (provide modulus of subgrade reaction)
- Settlement Analyses, provide magnitude of settlement and its impact on construction
- Excavation condition, shoring design if required
- Groundwater control during construction and after building is completed
- Under-floor drainage system, if required
- Backfilling recommendations
- Foundation soil classification per OBC 2006
- Foundation walls and retaining wall design

The field work will be supervised by a member of our engineering staff. The boreholes and DMT will be advanced with a truck-mounted drill-rig. Soil samples will be taken at regular intervals of depths using standard penetration test sampler. DMT testing will be continuous throughout the tested depths. The underground utilities will be located prior to drilling the boreholes by contacting Ontario One Call and retaining the services of a private locator.

Geotechnical laboratory testing will include moisture content determination on all retrieved samples and four (4) grain size distribution analyses to establish the physical characteristics of the major soil units.

CVD further notes that the site classification for earthquake design is Class "D" as stated in the existing geotechnical investigation report. This classification is correct based on the "N"-values obtained from standard penetration testing. However, it has been CVD's experience with other nearby sites (University of Waterloo) that "Shear-wave Velocity" obtained through geophysical testing method could re-classify the site to be Class "C". A Class "C" designation would require less structural reinforcement which would result in savings in design and construction costs of the apartment buildings. Please consult your structural engineer if "Shear-wave Velocity" testing is desirable. A separate cost is provided in the following table.

The estimated cost for the supplementary geotechnical investigation in accordance with the work program outlined above is \$25,400.00 plus HST. It should be noted that the actual cost of the field work could be more or less than the estimate provided. A breakdown is provided in the following table.

**Cost Estimate for Supplementary Investigation**

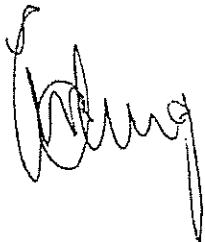
Drilling Contractor, including mobilization/demobilization, drilling/testing time and supplies	12900
CVD field supervision, expenses, public & private locates, survey, water level monitoring	6200
Laboratory Soil Testing	1500
Geotechnical Report, engineering, calculations, report, meeting, follow-up consultation	4800
<b>Total (HST Extra)</b>	<b>25400</b>
Geophysical Survey to assess if Site Classification is Class "C"	4000 to 6000
Finite Element Analysis support for Structural Engineer, if required	3000

JD Development Group  
Proposal for Supplementary Geotechnical Investigation  
256 Phillip Street, Waterloo, Ontario

December 29, 2011  
File No.: P11205  
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We trust this proposal is acceptable to you and we can be of service to you on this project. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully yours,  
**CHUNG & VANDER DOELEN ENGINEERING LTD.**

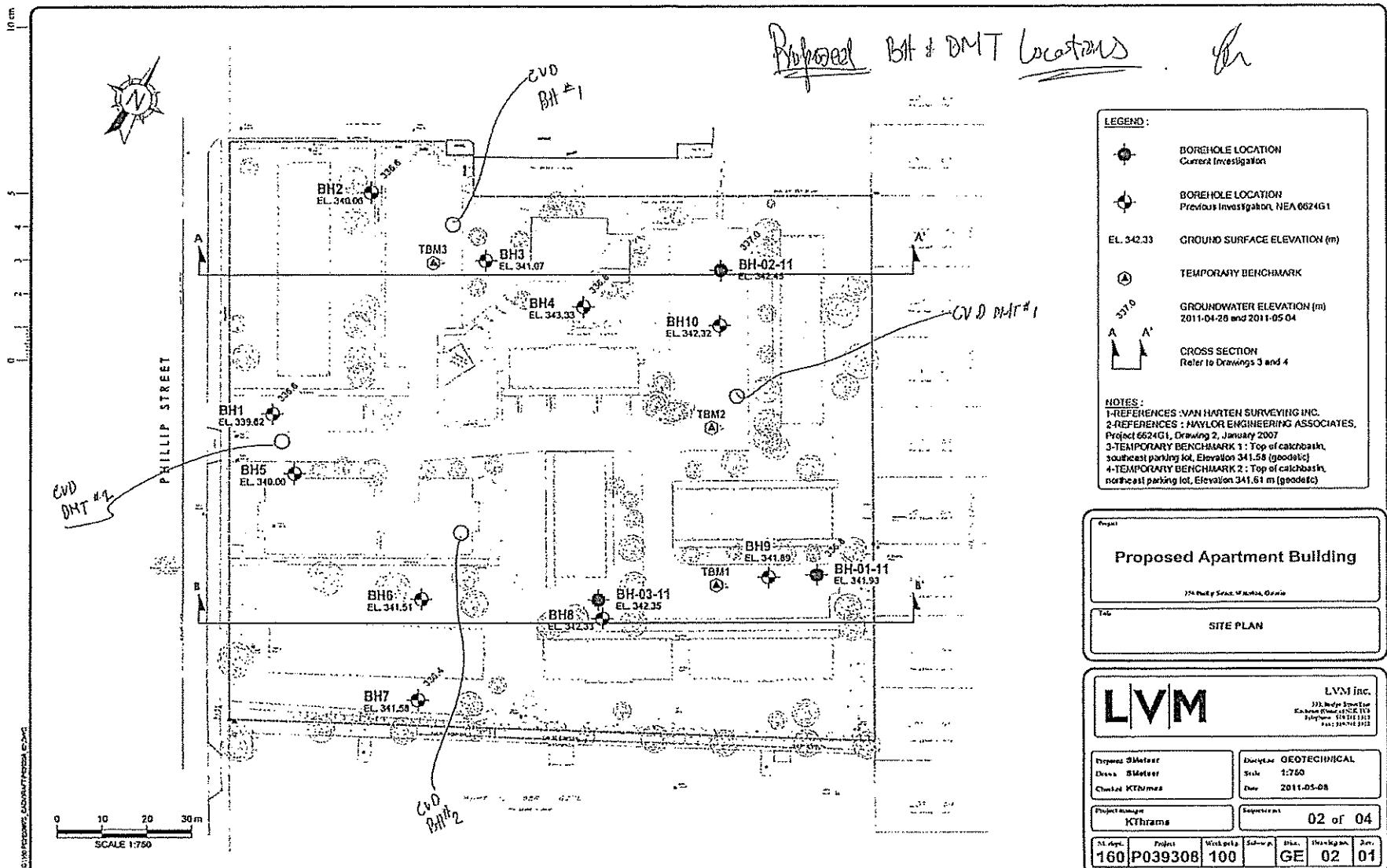


Eric Y. Chung, M. Eng., P.Eng.  
Principal Engineer

JD Development Phillip Street Limited



per: Haizhang  
Project Director



○

○

○



07 August 2012

Our File: 9002-099 Phillip Street Student Housing Complex

JD Development Phillip Street LP  
3601 Highway 7 E, Suite 903  
Markham, ON L3R 0M3

Attention: Hao Zhang

Re: **Proposal to Provide Building Code Consulting Services for  
Phillip Street Student Housing Complex – 256 Phillip Street**

Dear Mr. Zhang:

Further to your email request regarding the above-mentioned project, this letter outlines our revised proposed scope of work and associated professional service fees to be provided by Sereca Larden Muniak Consulting Ltd. (the "Consultant") to JD Development Phillip Street LP (the "Client").

## 1.0 UNDERSTANDING THE PROJECT

The project will consist of four buildings; Buildings A & B will be 20-storeys in building height with a building area of 924 m<sup>2</sup> each, Buildings C & D will be 21-storeys in building height with a building area of 943 m<sup>2</sup> each. Buildings A & B will have ground floor amenity and retail space. All buildings will contain residential student housing.

## 2.0 PROJECT OBJECTIVES

The overall goal of the Consultant is to provide timely guidance during the design development stages of the project in order to achieve Code compliance, thus aiding to facilitate the securing of a building permit.

The services proposed by the Consultant have the following objectives:

- Review of design relative to Part 3 of Division B of the 2006 Ontario Building Code (OBC).
- The identification of potential problems in Building Code compliance with respect to building construction, configuration, and fire protection.
- The development of compliance alternatives (apart from formal *alternative solutions*) for the components of the project where compliance with literal Code requirements is not practical or possible.
- The presentation, by means of a report, of the major life safety and barrier-free concepts which will be utilized in the design of the project and its fire safety systems to achieve compliance with OBC Part 3.
- The provision of advice on Building Code and fire protection-related matters during the design development stages of the project.

### 3.0 ANTICIPATED SCOPE OF WORK

The anticipated scope of our involvement is outlined below for this Project:

#### General Consulting:

The Consultant will be available to provide assistance and recommendations over the course of the project to members of the design team on Code-related issues.

#### **Design Review and Preliminary Report**

##### Design Team Meetings:

The Consultant will meet with design team members to discuss issues which may arise during the design development of the project and address all Code-related concerns. Two meetings are anticipated.

##### Drawing Review and Identification of Issues:

The Consultant will review up to two iterations of design drawings provided by the Client relative to 2006 Ontario Building Code (OBC) Part 3. Features which are noted as being non-compliant, or which may pose interpretive difficulties based on the Consultant's experience, will be identified in writing.

##### Preliminary Building Code Compliance Report:

The Consultant will develop a Preliminary Building Code Compliance Report summarizing major applicable requirements and possible compliance issues relative to OBC Part 3 for the design of the project. The report will be developed for the benefit of the design team. It will be forwarded to such parties as may be requested by the Client.

The issues to be reviewed in the reports will address:

- Construction requirements,
- Structural fire-resistance,
- Multiple occupancy consideration,
- Spatial separation and exposure protection,
- Fire alarm and detection systems,
- High building requirements,
- Fire hose coverage,
- Firefighter access,
- Sprinkler and standpipe systems,
- Lighting and emergency power,
- Mezzanine and interconnected floor space requirements, (if applicable)
- Fire separation requirements,
- Egress and exiting requirements,
- Suite layouts, and
- Barrier-free design requirements,

The preliminary report will identify outstanding issues to be resolved and summarize possible alternative approaches (apart from formal *alternative solutions*) to achieving compliance with OBC Part 3 requirements, where appropriate.

#### **Final Review and Report**

##### Design Team Meetings:

The Consultant will meet with design team members to discuss issues which may arise during the final drawing preparation. Two meetings are anticipated.

Final Drawing Review & Identification of Issues:

The Consultant will review up to two iterations of design drawings provided by the Client relative to OBC Part 3. Features which are noted as being non-compliant, or which may pose interpretive difficulties based on the Consultant's experience, will be identified in writing.

Building Code Compliance Report:

The Consultant will finalize the Building Code Compliance Report in consideration of the review of drawings and comments received from the Client and project team. The report will be forwarded to such parties as may be requested by the Client.

The Consultant has included 8 hours of building code consulting services that would address inquiries, via telephone or email, from an interior design firm working on the project.

This scope of services does not extend beyond the application for complete building permit, apart from possible negotiations with officials relative thereto.

#### 4.0 ESTIMATED FEES FOR PROFESSIONAL SERVICES

The estimated fees for professional services are summarized below. All estimates are in Canadian Dollars and excluding applicable taxes and expenses. Fees will be billed monthly on the basis of time expended.

The Consultant will provide the Client with the services outlined in this proposal for an upset limit fee of \$35,000.00 (THIRTY FIVE THOUSAND DOLLARS). Expenses will be billed at cost and are estimated not to exceed \$800.00.

If additional services are required, fees will be charged on a time and expense basis (subject to prior agreement from the Client). Our hourly rates are \$90.00 to \$210.00 for a Code Consultant and \$280.00 for L. Muniak.

Should there be a substantial change to the scope of services set out within this proposal, the Consultant reserves the right to negotiate the fee.

#### 5.0 ADDITIONAL SERVICES

The Consultant will be available to perform the following services for fees which would be additional to the upset limit fee of \$35,000.00, at the request of the Client:

Meetings with Authorities:

The Consultant will meet with building, fire and such other officials as may be appropriate to negotiate acceptance of building design features which may not be straightforward in terms of Code conformance or interpretation.

Alternative Solution:

If an aspect of the building design does not literally conform to the *acceptable solutions* contained in OBC Part 3, and building officials will not accept a rationale for that aspect of the design on a discretionary basis, a formal *alternative solution* based on evaluating the design relative to the *objectives* and *functional statements* contained in Division A of the Building Code can be prepared and submitted to the City building department for consideration.

General Consulting during Construction:

The Consultant will be available to provide assistance and recommendations over the course of construction to members of the project team on OBC-related issues which may arise as a result of site conditions.

Fire Safety Plan:

If requested to do so by the Client, the Consultant will prepare a Fire Safety Plan upon completion of construction. The Fire Safety Plan will be submitted to the fire department and revised as required to obtain fire department acceptance.

**6.0 AUTHORIZATION**

We thank you for the opportunity to submit this proposal and await your instructions. Please confirm your authorization to proceed with this work by signing a copy of the proposal in the authorization box below and returning one copy to our office. Please call if you have any questions.

Sincerely,  
Sereca Larden Muniak Consulting Inc.

*Gordana Tijanic*  
Gordana Tijanic, P.Eng.

Authorization to proceed with Scope of Work as outlined in this letter.

*Yueping Zhang*  
JD Development Phillip Street LP

*Aug. 09, 12*  
Date

## TERMS & CONDITIONS

Unless otherwise agreed in writing, these Terms and Conditions of Agreement, together with any supplemental conditions or addendums agreed to by the Consultant and the Client shall govern the rights and obligations of the parties with respect to the provision of anticipated services to be provided by the Consultant and any additional services provided to the Client (collectively the "Services").

Fees relate to time for professional services only. HST will be additional.

All professional fees will be invoiced on a time and expense basis. Interim invoices, usually monthly, will be sent as the work progresses, and payment of which shall become due within thirty (30) days of the date of invoice. Outstanding balances past due over thirty days are subject to a delinquency charge of 1% (12% per annum) per month until paid.

Work performed on a time-and-expense basis will be charged in accordance with the Consultant's most current schedule of hourly rates.

When requested by your office, additional work outside of the above-noted Services will be completed on a time and expense basis.

### Sub-Consultants/Sub-Contractors

The Consultant shall be entitled to engage any sub-consultants and sub-contractors for the performance of the Services or any part thereof as the Consultant believes, is in the best interests of the Client or in the delivery of the Services, subject to the approval of the Client, such approval not be unreasonably withheld.

### Ownership and Use of Documents/Copyrights, Patents and Trademarks

All concepts, products, drawings, designs, electronic media, graphic representations, processes, reports, records, information and other works prepared by or on behalf of the Consultant or its employees, sub-consultants or sub-contractors used in, created for or arising from the Services (the "Documents") including all rights of ownership, copyright, patents, trademarks or otherwise, shall remain the sole and exclusive property of the Consultant, whether the Services for which they were prepared are carried out or not. All reports, other documents and information provided by the Consultant to the Client shall only be used by the Client for the specific purpose for which the Consultant has prepared same and for no other purpose. Alteration of the Documents by the Client is prohibited.

### Insurance

The Consultant shall carry, while providing the Services, the following insurance:

1. such coverage as may be required pursuant to the Ontario Worker's Compensation Act or employer's liability insurance;

2. Public liability insurance for bodily injury and property damages in the amount of 2 Million Dollars (\$2,000,000.00) in aggregate; and
3. Professional liability insurance, which insures its legal liability for negligent acts, errors, and omissions in the amount that the Consultant deems to be prudent.

Copies of the insurance policies in effect from time to time shall upon request be made available for inspection by the Client during business hours at the head office of the Consultant. The Consultant makes no representations or warranties, whether express or implied, with respect to the coverage availed by its insurance. The Consultant reserves the right to change its insurance from time to time in such manner as the Consultant considers prudent. The Consultant shall reasonably cooperate if the Client wishes to obtain additional or project specific insurance. All costs with respect to any additional or project specific insurance shall be the sole responsibility and cost of the Client.

### Liability

The Consultant shall provide the Services with the level of engineering care, skill and diligence ordinarily and contemporaneously provided by the consulting engineering profession for services of a similar nature, in the same locality. No other warranty, representation or covenant, either express or implied, and no guarantee is included or intended in the letter, these Terms and Conditions of Agreement or any other contract, report, opinion, document or otherwise provided by the Consultant, its affiliates, employees, associates, sub-contractors and sub-consultants with respect to the provision of the Services.

The Client agrees that the Consultant's liability and the Client's recourse against the Consultant, its sub-consultants, sub-contractors, directors, officers, employees, associates, affiliates, agents and representatives with respect to the Services howsoever arising, whether in contract, tort or otherwise and whether arising directly, indirectly, in whole or in part by reason of the negligence or errors or omissions of the Consultant, its sub-consultants, sub-contractors, employees, associates, affiliates, agents and representatives shall be absolutely limited as follows:

- a) in the event the Client's claim is a claim for which the Consultant has applicable insurance coverage then currently in place such liability and recourse shall be absolutely limited to the proceeds from such insurance as is available to the Consultant at the time that the Claim is made;
- b) In the event the Client's claim is a claim for which the Consultant has no applicable insurance coverage then currently in place at the time that the Claim is made, such liability and recourse shall be absolutely limited to the lesser of;

- i) Fifty Thousand (\$50,000.00) Dollars in Canadian funds; and
- ii) Ten (10%) percent of the fees billed by the Consultant to the Client for the Services that gave rise to the claim;
- c) in the case of any economic loss suffered by the Client or any third parties, including without limitation loss of earnings, profits, business opportunity or otherwise, the Consultant shall have no liability whatsoever;
- d) In the event the Client requests the Consultant to undertake uninsurable Services, or Services involving any hazardous, dangerous or toxic materials or contaminants, whether anticipated or unanticipated, and whether or not the Services were contemplated to include the discovery, release, escape, transportation, handling, analysis, study or otherwise of such materials or contaminants, the Consultant shall have no liability whatsoever.

In consideration of the Services provided by the Consultant and its employees, directors, officers, associates, affiliates, sub-contractors and sub-consultants, the Client will make no claims against the Consultant's employees, associates, affiliates, sub-contractors, sub-consultants, directors, officers, agents or representatives no matter how the claim or claims may arise, whether in contract, tort or otherwise and whether arising directly, indirectly, in whole or in part by reasons of the negligence or the errors or omissions of such employees, associates, affiliates, sub-contractors or sub-consultants, directors, officers, agents or representatives. For the purpose of this paragraph, the word "employee" includes individuals in an employee/employer relationship with the Consultant, individuals that provide labour as independent contractors or have any other contractual relationship with the Consultant whereby they provide labour, any corporate entities having as their primary active business the provision of an individual's labour, and the individual provided by any such corporate entities. Without in any manner extending any other limitation period whether imposed by contract, statute or otherwise, after the expiration of one year from the date in which the Consultant submits its final documentation to the Client with respect to any portion of the Services, the Client shall not be entitled to make any claim, exercise any self help remedy or bring any proceeding in any court, arbitration or other dispute resolution process against the Consultant, its sub-consultants, sub-contractors, directors, officers, employees, associates, affiliates, agents or representatives, with respect to any matter arising from or related to the subject matter addressed by such final documentation and whether arising in contract, tort or otherwise, or arising directly, indirectly, in whole or in part, by reason of the negligence, errors or omissions of the Consultant, its sub-consultants, sub-contractors, directors, officers, employees, associates, affiliates, agents or representatives.

Without limiting any of the foregoing, the Consultant and its employees, associates, affiliates, sub-contractors, sub-consultants, agents and representatives shall not in any way be responsible, liable or accountable for any of the following:

- a) the failure of a contractor or consultant retained by the Client, to perform the work required in the Project in accordance with the applicable contract documents;
- b) the design of or defects in equipment or materials supplied by the Client for incorporation into the Project;
- c) any cross-contamination resulting from investigations;
- d) any damage to structures and utilities, which were identified and located by the Client;
- e) any Project decisions made by the Client if the decisions were made without the advise of the Consultant or contrary to or inconsistent with the Consultant's advice; or
- f) any consequential loss, injury or damages suffered by the Client, including but not limited to loss of use, earnings and business interruptions.

#### Indemnity

The Client shall indemnify and hold harmless the Consultant from and against any costs, damages, expenses, legal fees and disbursements, expert and investigative costs, claims, liabilities, and any taxes thereon arising from or related to any of the following:

- a) the performance of the Services by the Consultant and its employees, directors, officers, agents, representatives, affiliates, associates, sub-consultants or sub-contractors;
- b) any claim or threatened claim by any party arising from or related to the performance of the Services;
- c) any hazardous, dangerous or toxic materials or contaminants, whether anticipated or unanticipated, and whether or not the Services were contemplated to include the discovery, release, escape, transportation, handling, analysis, study or otherwise of such materials or contaminants; and
- d) the negligence, errors or omissions of any contractor or consultant or any third parties and their respective failure to carry out their obligations, responsibilities or contractual obligations which relate in any way to the Project or effect the delivery of the Services by the Consultant.

This indemnity shall apply notwithstanding the errors, omissions or negligence of the Consultant, its sub-consultants, sub-contractors, employees, directors, officers, agents representatives or affiliates and whether the need for the indemnity should arise from contract, tort, statute or otherwise. The Client also agrees to indemnify and compensate the Consultant for any time

spent by it or its employees in defending itself with respect to any such claims or proceedings based upon the Consultant's prevailing hourly rates for its applicable employee and in accordance with the terms of payment as set out in the letter.

#### Deficiencies in Service

The Client shall promptly report to the Consultant any deficiencies or defects or suspected deficiencies or defects in the Services, it being agreed that the failure to do so shall jeopardize the Consultant's ability to properly analyze the cause and take effective measures to minimize the consequences of any such deficiency. In the event that the Client becomes aware of any deficiencies or suspected deficiencies or defects in the Services and failed to advise the Consultant as to any such deficiencies or defects within 30 days of the Client becoming aware of such deficiencies or defects, then the Client shall have no right of action whatsoever for any damages, loss, costs of remediation or expenses incurred or suffered by the Client or any third parties as a result of such deficiencies or defects.

#### Withdrawal/Dismissal of Other Parties

Unless otherwise agreed in writing or as otherwise permitted within these Terms and Conditions of Agreement, if a party other than the Consultant is utilized to perform part of the Services and in the unlikely event such party withdraws or is dismissed, the Consultant acting as it believes is in the best interests of the Client shall be entitled to select a qualified replacement. Promptly upon being advised of the identity of such replacement, the Client, acting reasonably and stating its reasons, shall be entitled to object to such proposed replacement whereupon the Consultant may select another replacement in the above manner. In the absence of an objection from the Client as aforesaid, the replacement shall be deemed acceptable to the Client.

#### Early Termination of Services

The obligation to receive or provide all or part of the Services may be cancelled by either the Client or the Consultant upon written notice to the other party, which cancellation shall become effective as specified in the written notice, but not earlier than 14 calendar days after receipt of the notice. In the event the Client cancels the Services, the Consultant shall be entitled to complete at the Client's expense, such analyses, records and reports as are considered necessary by the Consultant to place its files in order and/or to protect its professional reputation and legal liability.

#### Assignment

Except as otherwise agreed in writing or as otherwise permitted within these Terms and Conditions of Agreement or the letter, no party shall be entitled to assign its interest or obligation to any third party with respect to the Services, the letter and any addenda thereto.

#### Force Majeure

Neither party shall be in breach of the Agreement or responsible for damages caused by delay or failure to perform in full or in part its obligations under these Terms and Conditions of Agreement provided that there is due diligence in attempted performance under the circumstances and that such delay or failure is due to any circumstance which is substantially beyond the control of the party to be charged.

#### Survival

All obligations between the parties, including any limitations upon liabilities, shall survive the completion of the Services and any earlier termination of the Services.

#### Governance

Unless otherwise specified, this Agreement shall be governed by the law of Ontario and any and all disputes, claims or actions shall be brought before the courts in the Province of Ontario.

#### Primacy

In the event of any inconsistency or contradiction between any terms or conditions set out within any applicable written agreement between the Client and the Consultant (the "Contract") and those set out within these Terms and Conditions of Agreement, the terms or conditions as set out within the Contract to the extent that they contradict or are inconsistent with these Terms and Conditions of Agreement shall govern.

#### Dispute Resolution

The Client and the Consultant shall make all reasonable efforts to resolve any dispute between them by amicable negotiations and agree to provide, on a "without prejudice" basis frank, candid and timely disclosure of relevant facts, information documents to facilitate such negotiations. If, however, the Client and the Consultant are unable to resolve any dispute between them, then if mutually acceptable to both parties, they can refer the matter to arbitration and appoint an arbitrator mutually acceptable to both parties and in which case such arbitrator shall be administered by the ADR Institute of Canada Inc. in accordance with its procedures for cases under the National Arbitration Rules, except where same conflict with the provisions of the PSA or these Terms and Conditions of Agreement. Where the parties agree to refer the dispute to arbitration the decision of the arbitrator shall be final and binding on the Client and the Consultant.

#### Severability

If any provision of the Contract or these Terms and Conditions of Agreement is declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such provisions shall be severed from the Contract and/or these Terms and Conditions of Agreement and the other provisions shall remain in full and effect.

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JD Development Phillip Street Limited  
3601 Highway 7 East, Suite 903  
Markham, ON L3R 0M3

June 28, 2012

Attention: Ms. Jennifer Xu, Project Director

Re: Executive Summary - Condo Plan Process  
Residential Development (Student Housing)  
No. 256 Phillip Street  
City of Waterloo

Dear Jennifer,

We appreciate the opportunity to submit this proposal to you. Enclosed is our budget for professional surveying services for the residential development (student housing) located at No. 256 Phillip Street, based on current site statistics.

The proposed residential development will consist of one building, comprising 18 floors with approximately 108 residential units. Krcmar's Condo Plan Process covers necessary project stages, is outlined below in PARTS 1, 2 and 3, and is described in more detail in attached schedules.

**PART 1 - Marketing + Sales Process**

Preparation of legal disclosure documents (sketches and schedules) for project sales. Overall project strategizing takes place at initial discussions with client and consulting team to plan for overall development.

**PART 2 - Planning Process**

The Planning Act requires Draft Plan of Condominium submission to the local municipality's planning department for review to ensure its compliance with approved site plan. The municipality comments on the nature and design of the development issuing Draft Plan of Condominium Conditions whose resolution is a pre-requisite for condominium registration.

**PART 3 - Registration Process**

Registration of Final Condominium Plans and Condominium Declaration is the surveyor's responsibility, once the conditions for registration (legal, planning, development, construction, municipal) have been coordinated and resolved by the development team.

**PART 4 - First Application into Land Titles Absolute**

Condominium subject lands, as a legal pre-requisite, must be registered under "Absolute" or guaranteed title in the Land Titles Office, description reference plan and Surveyor's Certificate must accompany solicitor's documentation.

# KRCMAR

## Professional Fees:

Fees for Parts 1, 2 and 3: Condo Plan Process: Marketing + Sales Process, Planning Process, Registration Process, described herein will total \$28,500.00 (twenty-eight thousand five hundred dollars) plus HST and disbursements.

Fees for Parts 4: First Application into Land Titles Absolute, described herein will total \$7,500.00 (seven thousand five hundred dollars) plus HST and disbursements.

*APPROVED*  
*Aug. 9, 2012*

KRCMAR Surveyors prides itself on timely and efficient condominium registration, as well as on-going prompting for critical items and deadlines to be met (Draft Plan Application, 'As-Built' Architectural/Structural Plans, Easements, etc.). We have a great deal of experience and expertise in Legal Surveys and Condominiums in particular. You have my personal assurance that you will receive timely and professional service from our firm. Your signature below will acknowledge your acceptance of the noted Scope of Work, the respective professional fees, and Terms and Conditions.

Best Regards,  
Krcmar Surveyors Ltd.

Authorized by  
JD Development Phillip Street Limited

*Sasa Krcmar*  
Sasa Krcmar, OLS

M:\K\12-090\256 Phillip St condo project.doc

Ms. Jennifer Xu

## Terms and Conditions

1. Monthly invoices with 30 day payment terms.
2. Professional fees exclusive of: disbursements, HST, Application/Plan Registration fees; revisions/updates/recalculations (unless otherwise noted); delayed condominium plan submissions.
3. The preceding quote is for a one time service; changes to the plans and/or schedules initiated by the client and/or his agents are outside the scope of work and will be charged as additional work at the current hourly rates plus disbursements (at cost plus 10%) and HST.
4. Professional fees for Condo Plan Process based on current unit count, and are subject to change proportional to increased unit count, if applicable.
5. Krcmar Surveyors Ltd. reserves right to discontinue providing professional surveying services including depositing/registering of survey plans, if Purchase Orders are outstanding or invoices not paid as per these terms and conditions.
6. This quote is valid for ninety (90) days and the overall fees will increase by 5% per annum if the project runs in excess of two (2) years from its commencement.
7. Krcmar Surveyors Ltd. reserves the right to post professional marketing signage on site.

KRCMAR

Condo Plan Process™

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## Condo Plan Process

### PART 1 - Marketing + Sales Process

1. Land titles office search of subject land and adjoining properties for property boundaries, existing easements, right of ways, etc.
2. Condominium production meeting to strategize overall development and discuss/coordinate project particulars.
3. Obtain current consultant's drawings for condominium disclosure sketches and schedules preparation, as available.
4. Office computations/drafting of condominium disclosure sketches of different floor plates from ground to penthouse levels (below-grade parking levels not required for disclosure purposes).
5. Prepare/review condominium disclosure schedules for solicitors' condominium declaration:
  - a. Schedule 'C' (description of condominium unit boundaries);
  - b. Schedule 'F' (schedule of allocation of exclusive use common element areas).
6. Review solicitor's condominium disclosure statement and declaration for accuracy and impact on future description plans project understanding.
7. Sketches and schedules (PDF and hardcopy) to solicitor and client for marketing and sales.

### PART 2 - Planning Process

1. Obtain hard copy and digital versions of current consultant's drawings.
2. Office computations/drafting of condominium draft plan based on available consultant's data, client objectives and regulatory criteria.
3. Prepare draft plan of condominium based on the available architectural data, client objectives and regulatory criteria to show the following:
  - a. Units, common elements and exclusive use common elements;
  - b. Planning Act, section 51 pertinent information, including the boundaries of the land; locations, widths and names of the proposed highways; small key plan showing lands owned by applicant or in which the applicant has an interest; purpose for which the proposed lots used; existing uses; approximate dimensions and layout of the proposed lots; natural and artificial features; availability and nature of domestic water supplies; nature and porosity of the soil; existing contours or elevations; municipal services available; restrictive covenants or easements.

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## PART 3 – Registration Process

1. Update and review the land titles office search and confirm absolute title status.
2. Field inspect and measure as required, all units and exclusive use portions of the common element.
3. Prepare final condominium plans showing units, exclusive use areas as applicable and common elements as required under the Condominium Act.
4. Field inspections and as-built measurement verification for condominium units, parking and lockers (lockers must be constructed for condominium pre-approval submission).
5. Declarant/consultant meeting for condominium plans/document review and finalizing.
6. Review and finalize the condominium declaration schedules G and F, for solicitor's condominium declaration.
7. Building inspection for completion status and verification that final condominium plans reflect true ground conditions.
8. Condominium pre-approval submission to land titles office (current title information, surveyor's final condominium plans, and condominium declaration).
9. Condominium pre-approval requisitions from plan examiner issued to solicitor, property management and declarant.
10. Delivery of final submission package (final condominium plan mylars and white prints) to City planning department for final endorsement (rubber-stamping), upon receiving pre-approval from land titles office,
11. Submission of final condominium mylars by planning authority to land titles office for registration.
12. Registered condominium plan copies to declarant for turnover meeting.
13. Digital registered condominium plans to solicitor for website posting and closings.

## KRCMAR

### PART 4 – First Application to Land Titles Absolute Conversion Process under Land Titles Act

1. Title search in the land titles/registry office to determine the extent of ownership and existence of any easements or right of ways.
2. Confirm that subject lands held under one (1) owner and one (1) PIN.
3. Field survey property to:
  - confirm all property corner iron bars;
  - locate all possessory evidence;
  - determine boundary position in office;
  - reset missing or disturbed iron bars;
  - identify encroachments or unregistered right-of-ways or easements.
4. Office computations/drafting of first application reference plan.
5. Mathematical closure of property boundary and interior "parts" for area confirmation and quality control.
6. Preparation of submission package for solicitor's application to land titles office.
7. Preparation of surveyors' certificate under land titles act.
8. Provide solicitor with necessary copies of reference plan for solicitor's notification of adjoining owners.
9. Preparation of final submission package to land titles office upon receiving final approval to deposit reference plan.

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Condo Plan Process™

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

<b>High-Rise Condos</b>	<i>One Park Place</i> Regent Park (Toronto) The Daniels Corporation	<i>The Capital Central Park</i> (Mississauga) The Daniels Corporation
<i>Pan-Am Athletes Village</i> <i>Block 11</i> (Toronto) Dundee Realty Management Corp.	<i>Paintbox Condominium</i> Regent Park (Toronto) The Daniels Corporation	<i>The Park Tower</i> (Mississauga) The Daniels Corporation
<i>New Residences of Yorkville Plaza (former Four Seasons)</i> (Toronto) Camrost Felcorp Inc.	<i>One Park West</i> Regent Park (Toronto) The Daniels Corporation	<i>N.Y. Towers on Bayview</i> (Toronto) The Daniels Corporation
<i>Ritz-Carlton Hotel &amp; Tower</i> (Toronto) Graywood Developments	<i>One Cole Condominium</i> Regent Park (Toronto) The Daniels Corporation	<i>Wave Lakeshore</i> (Toronto) The Daniels Corporation
<i>The Mercer</i> (Toronto) Graywood Developments	<i>Limelight at City Centre</i> (Mississauga) The Daniels Corporation	<i>High-Park Condominiums</i> (Toronto) The Daniels Corporation
<i>Ocean Club Waterfront Condominiums</i> (Toronto) Graywood Developments	<i>One Eleven Forsythe</i> (Oakville) The Daniels Corporation	<i>NY Place</i> (Toronto) The Daniels Corporation
<i>Europa</i> (Toronto) Graywood Developments Ltd./Beaverhall Dev.	<i>Chicago</i> (Mississauga) The Daniels Corporation	<i>L Tower Project/</i> <i>Hummingbird Centre</i> (Yonge & Front, Toronto) <i>&amp; The Esplanade</i> Ferncastle (Front St) Inc.
<i>The Trump International Hotel and Tower</i> (Toronto) The Trump Organization	<i>The Bayview</i> (Toronto) The Daniels Corporation	<i>Film Port</i> (Toronto) (Commissioners & Saulter) Castlepoint Realty Partners Limited/TEDCO
<i>One Bloor Street</i> (Toronto) Great Gulf Group	<i>Merci Condominiums</i> (Toronto) The Daniels Corporation	<i>Backstage on the Esplanade/</i> <i>Hummingbird Centre</i> (Yonge & Front, Toronto) Ferncastle (Front St) Inc.
<i>Festival Tower/TIFF</i> (Toronto) The Daniels Corporation	<i>No. 1 City Centre</i> (Mississauga) The Daniels Corporation	<i>Absolute One</i> (Mississauga) Fernbrook Homes/Cityzen
<i>Cinema Tower</i> (Toronto) The Daniels Corporation	<i>Amica at City Centre</i> (Mississauga) The Daniels Corporation	<i>Pier 27 Residences on the Lake</i> (Toronto) Fernbrook Homes/Cityzen
<i>Arc Condominiums at Bayview Village</i> (Toronto) The Daniels Corporation	<i>Claridges Amica at Bayview</i> (Toronto) The Daniels Corporation	<i>The Shores</i> (Oakville) Fernbrook Homes/Cityzen
<i>Kilgour Estates</i> (Toronto) The Daniels Corporation	<i>The Empire on Bayview</i> (Toronto) The Daniels Corporation	<i>Aria</i> (Toronto) Fernbrook/Menkes & Cityzen

1137 Centre Street Thornhill Ontario, L4J 2M8  
905.738.0053 F 905.738.9221 www.krcmar.ca

krcmar surveyors ltd

K R C M A R

## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

<i>Vero Boutique Condominiums</i> (Woodbridge) Fernbrook Homes Limited	<i>Kitchener City Centre</i> (Kitchener) Andrin Homes	<i>Park Lake Residences</i> (Toronto) The Pemberton Group
<i>London on the Esplanade</i> (Toronto) Cityzen	<i>Neon Condominium</i> (Toronto) Orchardview Holdings	<i>The Pulse</i> (Toronto) The Pemberton Group
<i>The Essence Kingsway</i> (Toronto) Cityzen	<i>Bravo Residences</i> (Toronto) The Pemberton Group	<i>Churchill Park Condominiums</i> (Toronto) Tower Hill Development
<i>The 88 on Broadway</i> (Toronto) Cityzen	<i>The Uptown Residences</i> (Toronto) The Pemberton Group	<i>Lawrence Park Condominiums</i> (Toronto) First Ontario Realty Corporation Limited
<i>The Hemingway</i> (Toronto) Cityzen	<i>Miracle in Mississauga</i> The Pemberton Group	<i>Centro</i> (Toronto) <i>Henderson Developments</i>
<i>Exhibit</i> (Toronto) Bazis International/TMG Builders	<i>Miracle on Yonge</i> (Richmond Hill) The Pemberton Group	<i>Royal Canadian Military College (RCMI)</i> 426 University (Toronto) Tribute Communities
<i>Emerald Park</i> (Toronto) Bazis International/TMG Builders	<i>Nouvelle</i> (Mississauga) The Pemberton Group	<i>Queen &amp; Portland</i> (Toronto) Tribute Communities
<i>Crystal Blu</i> (Toronto) Bazis International	<i>Bluwater</i> (Oakville) The Pemberton Group	<i>1717 Avenue Road</i> (Toronto) Tribute Communities
<i>Dream Tower</i> (Toronto) El-Ad Group	<i>Park Glen Condominiums</i> (Richmond Hill) The Pemberton Group	<i>The Courtyard Residences in Oak Park</i> (Oakville) Tribute Communities
<i>Emerald City 1 &amp; 2</i> (Toronto) El-Ad Group	<i>The Royal at Bayview Glen</i> (Richmond Hill) The Pemberton Group	<i>The Yacht Club</i> (Whitby) Candarel Stoneridge
<i>Westlake Condominiums</i> (Toronto) Onni Group	<i>Emerald at Royal Glen</i> (Richmond Hill) The Pemberton Group	<i>The Modern on Richmond</i> (Toronto) Empire Communities
<i>Museum Residences</i> (Toronto) Yorkville Construction Corp.	<i>The Promenade at Port Royal Place</i> (Etobicoke) The Pemberton Group	<i>The Vintages Condominium</i> (Richmond Hill) Empire Communities
<i>The Berwick</i> (Toronto) Andrin/ The Brown Group of Companies	<i>The Palais at Port Royal Place</i> (Etobicoke) The Pemberton Group	<i>C Condominiums</i> (North York) Empire Communities

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

<i>Building J &amp; K at Downtown Markham</i> (Markham)	<i>Loggia Condominiums</i> (Toronto)	<i>Chateau Royale</i> (Toronto)
The Remington Group	Brandy Lane Homes	Panterra Federated
<i>Nexus at Downtown Markham</i> (Markham)	<i>Parkside Village - Block 7</i> (Mississauga)	<i>Centrillium in Emery Village</i> (Toronto)
The Remington Group	Amacon Construction	Rose Valley
<i>The Verdale at Downtown Markham</i> (Markham)	<i>Eden Park</i> (Mississauga)	<i>The Avanti</i> (Toronto)
The Remington Group	Amacon Construction	Tor-Bel Developments
<i>Viva Condominiums</i> (Toronto)	<i>Eve</i> (Mississauga)	<i>Plaza Royale</i> (Toronto)
The Remington Group	Amacon Construction	Tor-Bel Developments
<i>550 Wellington Street West Hotel and Condominiums</i> (Toronto)	<i>Elle Condominiums</i> (Mississauga)	<i>Hampton Plaza</i> (Toronto)
Freed Development Corp.	Amacon Construction	Tor-Bel Developments
<i>Six50 King West</i> Condominiums (Toronto)	<i>Port Place</i> (Port Dalhousie, St. Catharines)	<i>Town Plaza Suites</i> (Toronto)
Freed Development Corp.	PDVC Developments Ltd.	Tor-Bel Developments
<i>66 Portland Street</i> (Toronto)	<i>The Posh</i> (Vaughan)	<i>Tuscany Gates</i> (Mississauga)
Freed Development Corp.	Kantium Development	Castle Group
<i>SEVENTY5 Portland Street</i> (Toronto)	<i>Olde Thornhill Village</i> (Markham)	<i>Bellair Gardens</i> (Toronto)
Freed Development Corp.	Rosebud Homes	Castle Group
<i>455 Adelaide West - Fashion District Lofts</i> (Toronto)	<i>Royal York Grand</i> (Toronto)	<i>The Palm</i> (Toronto)
Freed Development Corp.	H & R Developments	Castle Royale
<i>Wyldewood Trailside Condominiums</i> (Collingwood)	<i>The Boardwalk Condominiums</i> (Toronto)	<i>Stonebrook</i> (Mississauga)
Brandy Lane Homes	The Pemberton Group	United Lands
<i>Station Condominiums</i> (Toronto)	<i>The Watermark</i> (Toronto)	<i>Stonebrook II</i> (Mississauga)
Brandy Lane Homes	Queenscorp Group	United Lands
<i>Village Mews</i> (Toronto)	<i>The Dalesford</i> (Toronto)	<i>294 Richmond Street East</i> (Toronto)
Brandy Lane Homes	Queenscorp Group	<i>Colonia Truchand</i>
	<i>Glenlake</i> (Toronto)	<i>Oakridge Heights</i> (Oakville)
	The Georgian Group	United Group
	<i>Chelsea Lofts</i> (Toronto)	<i>The Pointe</i> (Toronto)
	Namara Developments	The Georgian Group
		<i>Panache Condominiums</i> (Toronto)
		Stanford Homes

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

<i>Terraces On The Park</i> (Woodbridge) 1504546 Ontario Inc.	<i>Thunderbird Condos</i> (Toronto) Edilcan Developments <i>Market Town</i> (Barrie)	<i>Joshua Creek at Emporium</i> (Oakville) Ashley Oaks Homes
<i>The Amalfi, Residences on the Ravine</i> (Vaughan) Armour Heights Developments	Mady Developments <i>Collier Street (at Mulcaster)</i> (Barrie)	<i>222 Finch Avenue West</i> (Toronto) M.A.D. Developments
<i>River's Edge</i> (Bolton) Armour Heights Developments	Mady Developments <i>Kew Beach Living</i> (Toronto)	<i>Evolution</i> (Toronto) Deluxe Living (Dundas) Limited
<i>Metro Condominium</i> (Mississauga) Jaymor	Longo Developments <i>Cloud Nine</i> (Toronto) Lash Development + TMDL Asset Management Inc	<i>Grand Genesis</i> (Richmond Hill) Guizzetti Developments Inc.
<i>Portrait</i> (Toronto) Elm Developments	<i>530 St. Clair Ave. West Inc.</i> (Toronto)	<i>Grand Palace</i> (Richmond Hill) Guizzetti Corporation
<i>The Benson</i> (Richmond Hill) Sanmichael Homes	Lash Development + Goldman Group	<i>7 City Centre - The Riviera</i> (Vaughan) Cortel Group
<i>Cube Lofts in Little Italy</i> (Toronto) Neilas Inc.	<i>777 Steeles Avenue West</i> (Toronto) Lash Development Corp.	<i>The Diamond</i> (Toronto) Parallax Investment Corporation
<i>Opart</i> (Oakville) Neilas Inc.	<i>Twenty-One Clairtrel</i> (Toronto) The Rockport Group	<i>133 Hazleton Residences</i> (Toronto) Mizrahi Developments Inc.
<i>Stage East</i> (Toronto) Neilas Inc.	<i>The Ridgewood II</i> (Aurora) The Rockport Group	<i>1480 Queen Street West</i> (Toronto) Trinity Development Corporation
<i>263 Adelaide Street West</i> (Toronto) Neilas Inc.	<i>12 Degrees</i> (Toronto) BSAR/Prince Bay	<i>Fontana Residential Condominium Project</i> (Vaughan) H&W Development Corp.
<i>236 Davenport Road</i> (Toronto) Brisbin, Brook, Beynon Architects	<i>The Hill</i> (Toronto) BSAR/Toronto Parking Authority	<i>Love Condominium</i> (Toronto) Genterra Development Corporation
<i>Victory Condominiums</i> (Toronto) BLVD Developments	<i>Volare Condominiums</i> (Vaughan) Trimax Developments	<i>Martha Terrace Project</i> (Burlington) Sunlife Financial
<i>One Valhalla Towns and Condos</i> (Toronto) Edilcan Developments	<i>The Blade</i> (Brampton) The Preston Group	

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

*508-516 Wellington Street  
West  
(Toronto)  
Portwell Developments*

*Vista Parc Condominium  
(Vaughan)  
Quadcam Development  
Group*

*The Lexington  
(Toronto)  
Royal Laser Development Inc.*

*The Clairington  
(Brampton)  
Castleridge Homes*

*Safebox  
(Markham)  
Parallax Investment Corp.*

*262 Wallace Avenue  
(Toronto)  
Tor-Bel Developments Inc.*

*Flato Park Residences  
(Markham)  
Flato Management Inc.*

*iT Lofts  
(Toronto)  
Worsley Rusholme Limited*

*Flo Condominiums  
(Toronto)  
Avongate Development  
Holding Inc.*

*Bayview Avenue & Elgin Mills  
Road East  
(Richmond Hill)  
Sanmike Construction  
Limited*

*Xpression  
(Richmond Hill)  
Torview Properties Inc.*

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

Low-Rise Condos	<i>Skylight</i> (Mississauga) The Daniels Corporation	<i>Pennylane</i> (Brampton) Andrin Homes
<i>One Park West Towns</i> Regent Park (Toronto) The Daniels Corporation	<i>St. Agnes Square</i> (Toronto) Queenscorp Residences	<i>Kennedy Commons</i> (Markham) Andrin Homes
<i>Hazelton Place</i> <i>Condominiums</i> (Mississauga) The Daniels Corporation	<i>Stonewater Condominium</i> (Toronto) Queenscorp Residences	<i>The Manors of Corsica</i> (Markham) Armour Heights Developments
<i>Block 157 (Bramalea Road)</i> <i>Condominiums</i> (Mississauga) The Daniels Corporation	<i>Allandale Villas</i> (Barrie) Alliance Homes	<i>River's Edge</i> (Bolton) <i>Armour Heights</i> Developments
<i>Block 3 (Winston Churchill &amp; Thomas) Condominiums</i> (Mississauga) The Daniels Corporation	<i>Jackson's Landing By The Lake</i> (Jacksons Landing) Alliance Homes	<i>Chateau Laurier</i> (Richmond Hill) The Yorkdale Group Inc.
<i>Block 176 (Duskywing Way)</i> <i>Condominiums</i> (Mississauga) The Daniels Corporation	<i>Berkshire Place</i> (Vaughan) The Rockport Group	<i>Queen Street and Silverbirch Avenue</i> (Toronto) Fallingbrook Place Developments Inc.
<i>Block 43 (Winston Churchill &amp; Erin Centre)</i> <i>Condominiums</i> (Mississauga) The Daniels Corporation	<i>Serenade Common Elements Condominium</i> (Pickering) The Rockport Group	<i>Woodside Village</i> (Scarborough) Eden Oak Homes
<i>The Highlands, St. Andrews Valley Condominiums</i> (Newmarket) The Daniels Corporation	<i>640/660 Mulock Drive</i> (Newmarket) Eden Park Homes	<i>29<sup>th</sup> Street Lofts</i> (Etobicoke) Eden Oak Homes
<i>Waterlilies Townhomes</i> (Oakville) Fernbrook Homes	<i>Villages of York University</i> (Toronto) Tribute Communities	<i>Brownstones of Olde Meadowvale</i> (Mississauga) Genesis Building Corporation
<i>Rivertowne</i> (Toronto) Intracorp/Marion Hill	<i>Oakpark Community</i> (Oakville) Tribute Communities	<i>Ferndale Heights</i> (Barrie) Baywood Homes
<i>Residences of New Toronto</i> (Toronto) The Daniels Corporation	<i>Canterbury Lawrence Park</i> (Toronto) Tribute Communities	<i>Enclaves of Dorset</i> (Toronto) Barabco Design/Build
<i>Huntington Ridge</i> (Mississauga) The Daniels Corporation	<i>Watermark Project</i> (Pickering) Brookfield Homes Ltd.	<i>Bell Estates</i> (Toronto) Brookfield/Goldman

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

### *Springhill Residences*

(King City)

Rossbro Developments

### *13301 Bathurst Street*

(Richmond Hill)

559975 Ontario Inc. (Vista)

### *Bronte Creek Project*

(Oakville)

Monarch Corporation

### *560/570 Waverly Road*

(Oshawa)

Advent Property Management

### *60 Tecumseth*

(Toronto)

546313 Ontario Limited

### *305 Bloomington Road West*

(Richmond Hill)

LeVon Project Management

### *456 Shaw Street*

(Toronto)

UrbanQuest Incorporated

### *357 Birchmount Road*

(Toronto)

Habitat for Humanity

Toronto

### *Countryside Crossing*

(Brampton)

Flato Management Inc.

### *43 Drewry Avenue*

(Toronto)

Rivermill Homes

### *Vellore Woods*

(Vaughan)

P. Gabriele & Sons Limited

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## KRCMAR SURVEYORS LTD: SUMMARY OF PROJECT EXPERIENCE

<b>Conversion Condos</b>	<i>The Annex on Brunswick</i> (Toronto) Brunswick Mews Inc.	<i>692 Queen Street East</i> (Toronto) Trisan Realty Corp.
<i>Town Inn - 620 Church Street</i> (Toronto) Town Inn	<i>Emma Heights</i> (Chatham) Emma Heights Inc.	<i>3485 Harvester Road</i> (Burlington) Marland Management Services Inc.
<i>King Plus Condos</i> (Toronto) Plus Development Group Corporation	<i>The Boiler Factory</i> (Toronto) 2001146 Ontario Ltd.	<i>1770 Albion Road</i> (Toronto) Jasswant Dass
<i>The Hotel Residences</i> (Toronto) Dacapa Construction	<i>1401 Dupont Street</i> (Toronto) Tom Falus Developer	<i>Helene Project</i> (Toronto) Colonia Treuhand
<i>8300 Woodbine Avenue</i> (Markham) MFS Realty Services Inc.	<i>Victoria Lofts</i> (Toronto) Victoria Lofts Inc.	<i>5785 Kennedy Road</i> (Mississauga) Kennedy Coopers Complex Inc.
<i>Robert Watson Vintage Lofts</i> (Toronto) Sorauten Lofts Inc.	<i>St. Lawrence Lofts</i> (Toronto) The Georgian Group	<i>Sterling/Perth Townhomes</i> (Toronto) Numa Realty Partners Inc.
<i>Chocolate Lofts - Queen West Residences</i> Plazacorp	<i>113 Dupont Street</i> (Toronto) Zinc Construction	<i>Woodbine Downs Boulevard</i> (Toronto) 2127023 Ontario Inc.
<i>Brock Lofts</i> (Toronto) Brock Investments Inc.		
<b>Commercial Condos</b>	<i>Palika Bazaar Dev. Corp.</i> (Brampton)	<i>Finch &amp; Westmore Properties Inc.</i> (Etobicoke)
<i>Remington Centre</i> (Markham) <i>The Remington Group</i>	<i>Featherstone Homes</i> (Markham)	<i>Chand Morningside Plaza Inc.</i> (Scarborough)
<i>Improve Centre</i> (Vaughan) <i>Home Direct Inc.</i>	<i>Jaipur Gore Plaza Inc.</i> (Brampton)	<i>Finchwood Village Shopping Centre</i> (Etobicoke)
<i>The Diamond</i> (Toronto) Parallax Investment Corp.	<i>Janpath Plaza Inc.</i> (Brampton) Surinder Ahuja	<i>Bridgeland Plaza</i> (Brampton)
<i>Global Village Phases 1 to 4</i> (Mississauga) <i>Platinum Real Estate</i>	<i>Gymkhana Canada Inc.</i> (Brampton)	<i>Westwood Mall</i> (Milton) Westwood Mall Holdings Limit
<i>Karol Bagh</i> (Brampton) 1459955 Ontario Inc.	Surinder Ahuja <i>Incan Automotive Centre Inc</i> (Brampton)	<i>195, 205 &amp; 209 Wicksteed Avenue</i> (Toronto) The Rockport Group
<i>Springdale Village Phases 1 and 2</i> (Brampton) Landcore Developments	<i>Chandni Chowk Plaza</i> (Brampton)	

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IBI Group  
379 Queen Street South  
Kitchener ON N2G 1W6 Canada  
tel 519 745 9455  
fax 519 745 7647

August 20, 2012

Ms. Julia Zhang  
Director  
JD Development Group  
3601 Highway 7E, Suite 903  
Markham, Ontario  
L3R 0M3

Dear Ms. Zhang:

**256 PHILIP STREET, WATERLOO  
PROPOSED APARTMENT BLOCK DEVELOPMENT  
CIVIL ENGINEERING SERVICES**

Further to an e-mail request from Ms. Jennifer Xu of your office dated August 9, 2012, we are pleased to provide this update to our original proposal dated January 18, 2011.

As you are aware, we have completed significant work on this development in accordance with our original January 18, 2011 proposal. This work had been based on the original site plan concept for the development. The site plan has now changed substantially and will require significant redesign of the grading, servicing and SWM of the site as well as a revised shadow study. Our original budget is complete and accordingly, we require the following additional fees:

**ESTIMATED FEES**

The following table summarizes our fees for the work outlined in this letter.

ITEM DESCRIPTION	REVISED FEES
Activity A: Engineering Services ➤ Site Grading and Servicing Design and Drawings ➤ Stormwater Management Report	\$10,000 \$4,000
Activity B: Shadow Study	\$4,000
Activity C: Site Certification per City Requirements ➤ During Construction Site Visits per client/City/contractor request ➤ Engineering Certification & As Built drawings	\$4,000 * \$2,750
Meetings:	\$3,000 *
Disbursements:	\$2,000 *

\* Allowance – see below

Fees are based on an overall submission and include one (1) set of revisions, initiated by City staff, to achieve approval of the plan. All additional revisions will be charged on an hourly basis.

Ms. Julia Zhang  
Director

Note that before we undertake any additional work not included in our fee, we will notify you and will not proceed until we have your written authorization to proceed with the work.

Please note our fees and expenses will be subject to the Harmonized Sales Tax (HST) of 13%

Budgeting for meetings, as well as the inspection and certification work is difficult as it is dependent on the contractor's quality of work and the amount of time required to deal with construction issues. We have proposed a budget for ten (10) site visits and six (6) meetings.

HST and disbursements such as mileage, blueprinting, photocopying, plotting, courier, photographic reproduction, long distance telephone charges, facsimile transmissions, and all out of pocket expenses, will be invoiced at cost. We have proposed a budget.

In providing our fee estimate, we have made the following assumptions and exclusions:

**a) Assumptions**

- Engineering design will not commence until a Site Plan and Legal Survey Plan have been prepared and accepted by you and the Municipality in principal;
- Should the site plan change once the design and drafting have commenced, the costs of rework shall be invoiced to the client on a time and material basis, as this extra work is beyond our control;
- There are no undue encumbrances on the site (e.g., soil conditions, etc.).
- There is a geotechnical report available (needed to support SWM Analysis).
- There is a legal reference plan available.

**b) Exclusions**

- Services to be provided directly to, and at the cost of, the client by other professionals, include, but are not limited to, Building Architecture, Geotechnical, Hydrogeological, Ontario Land Surveyor, Traffic, Lighting Design, Noise Study, and other related and necessary disciplines;
- Structural design (i.e., retaining walls);
- Works beyond the limits of the subject property (except for service laterals to municipal services);
- Negotiations with authorities for changes to standard requirements;
- Tendering and administering construction. Note, we can provide these services if needed;
- Additional efforts due to contractor and/or builder negligence or deficiencies;
- Coordination of cost sharing calculations, negotiations, etc.
- Site grading, servicing and SWM design will not be divided into phases.

Invoices are due within 30 days, failing which an interest rate of 1.5 percent per month will be applied. Non-payment of fees will be cause for suspension of work and/or termination of this agreement within 7 days written notice.

Ms. Julia Zhang  
Director

## CLOSURE

We understand the development may be converted to a condominium. Other Services IBI Group can provide to assist in this include:

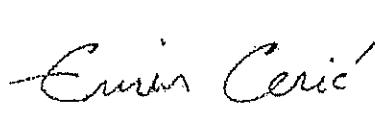
- Acoustical Study
- Salt Management Plan

We look forward to continuing to work with you on this project. Please return a signed copy of this letter authorizing our firm to continue with this work.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly

IBI GROUP



Emir Cerić, C.E.T.  
Associate

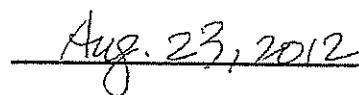
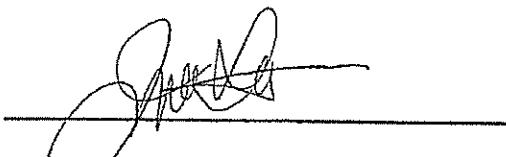


John Perks, MBA, P.Eng.  
Associate Director

EC/JP:ms

AGREED:

DATE:



IBI Group would welcome the opportunity to erect a sign at this location recognizing our involvement in this development. Please signify below if this would be satisfactory.

- Yes, we authorize sign placement  
 No, we do not authorize sign placement

APPENDIX "A"

IBI GROUP – KITCHENER, HAMILTON,  
BRANTFORD, MISSISSAUGA, WATERLOO  
**HOURLY BILLING RATES**

(Excluding Applicable Taxes)  
As of April 1, 2012

Planning Staff	
Billing Title	Billing Rate
Senior Planner	\$120.00 - \$245.00
Landscape Architect Designer	\$55.00 - \$85.00
Planner	\$65.00 - \$120.00
Engineering Staff	
Senior Engineer	\$125.00 - \$225.00
Intermediate Engineer	\$85.00 - \$140.00
Junior Engineer	\$60.00 - \$90.00
Integrated Staff	
Senior Designer/Drafter	\$90.00 - \$155.00
Intermediate Designer/Drafter	\$60.00 - \$105.00
Junior Drafter	\$50.00 - \$60.00
Field Crew	\$60.00 - \$120.00
Support Staff	\$50.00 - \$150.00
Disbursements	Cost + HST
Sub-Consultants	Cost + HST

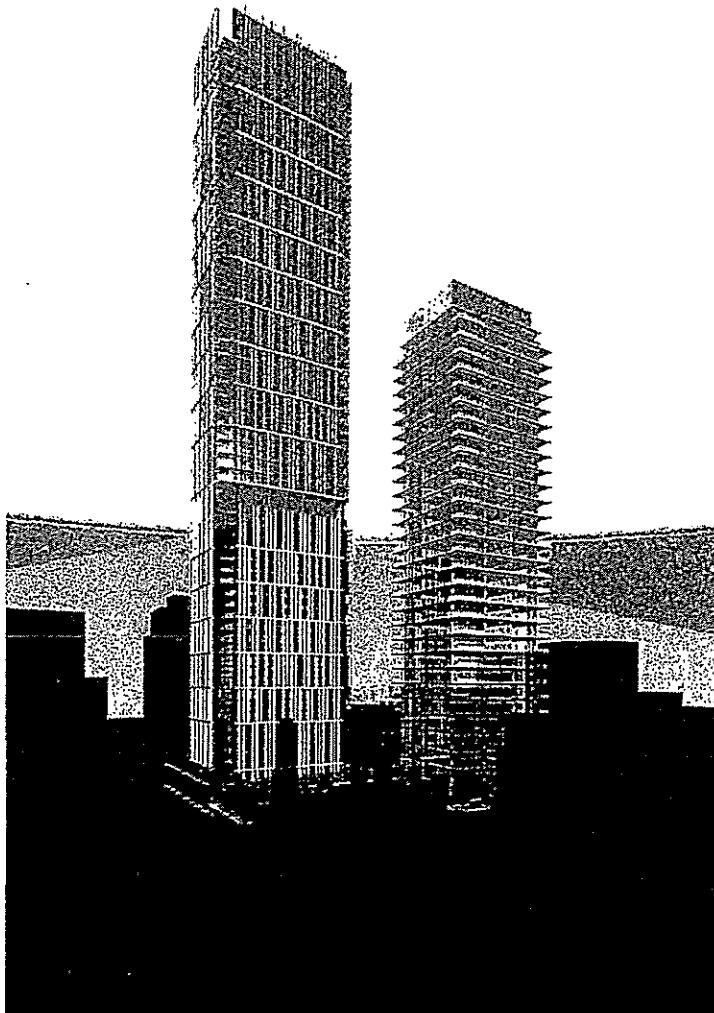
\* Rates subject to change periodically based on salary adjustments.

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## PROPOSAL

### BUILDING ENVELOPE DESIGN & REVIEW 256 Phillips Street-Student Residences, Waterloo, ON



Submitted to:  
McKnight Charron Laurin Architects Inc.  
67 High Street,  
Barrie, Ontario L4N 1W5  
Attention: Mr. Michael McKnight  
Principal

Submitted by:  
Stephenson Engineering Ltd.  
2550 Victoria Park Avenue, Suite 602  
Toronto, Ontario M2J 5A9

November 1, 2012



Mr. Michael McKnight  
Principal  
McKnight Charron Laurin Architects Inc.  
67 High Street  
Barrie, ON, L4N 1W5

October 31, 2012  
Revised November 1, 2012

via email: Michael@MCLarchitects.ca

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**Re: BUILDING ENVELOPE DESIGN ASSISTANCE, DRAWING & FIELD REVIEW**  
256 Phillips St.-Student Residences, Waterloo, ON  
Our Reference No. 20120715

Dear Mr. McKnight,

As per your RFQ dated October 26, 2012, we are pleased to submit to McKnight Charron Laurin Architects Inc. our proposal to perform building envelope design assistance, shop drawing review and field review at the Student Residence at 256 Phillips Street in Waterloo, Ontario. Quality assurance inspections at the plant could be provided if required. Outlined below is our understanding of the project, accompanied by our proposed scope of services, associated fees and assumptions. We look forward to assisting you with this project.

**Background:**

The installation of precast concrete building cladding will provide a durable exterior cladding and long service life for the owners. The aluminium framed glazing (window wall) and punched window systems can be improved with supplier quality control, shop drawing review, field review and testing of the installed systems. We will provide an extension of your Architectural expertise and assist with reviewing details to speed up construction and reduce costs.

By combining our building envelope and structural Stephenson Engineering expertise we can identify alternative optimal design solutions that meet your most important objectives of profitability and scheduling. With innovative thinking, cost optimized energy savings are possible due to a higher performance building envelope. For example insulation options could include spray foam insulation that also provides air barrier functions may be practical for these owner operated buildings. The wall, window and roof systems combined holistically with the HVAC systems for the Student Residence at 256 Phillips Street need to provide energy efficient performance. The new proposed NRC energy performance targets can be used as benchmark for the owner to show corporate leadership.

Stephenson Engineering will help the JD/ McKnight Charron Laurin Architects/General Contractor Team to achieve a better performing building envelope. We understand the permit drawings are expected to be submitted in December 2012 and tendered in March 2013.

## Scope of Services

We propose the following as our scope of services:

Building Envelope Design, Shop Drawing and Field Review Services:

i) Building Envelope Design Assistance:

During the design and preparation of tender document phase we will provide creative design assistance suggestions and recommendations that enhance the durability of the building envelope and assist in achieving optimized service lives for the owners/occupants. Our comments on the building envelope design will be marked directly on the tender documents/details. Additional items of review include:

- ❖ Identification of cost saving/durability solutions;
- ❖ Identification of cost saving/energy efficient solutions;
- ❖ Suitability of the specified materials to the site's environmental conditions;
- ❖ Compatibility of contiguous building envelope materials and systems, including the air barrier and vapour retarder system, roofing membranes, sealants and substrates;
- ❖ Continuity of the air barrier / vapour retarder systems; and
- ❖ Thermal and moisture management design of the systems.

For Phase 1, we have allowed for one site meeting to define client success outcomes, gain an appreciation of site characteristics and meet the project team. For Phase 2 we have allowed for minor building envelope design improvements for constructability and potential newer innovative materials.

ii) Shop Drawing Review:

We propose to review the building envelope shop drawings (for the window wall system) provided by the sub-contractor, making our comments directly on the drawings. General conformance to the design details will be the focus of the review. Additional items of review will include:

- ❖ Continuity of the building envelope materials and systems, including the air barrier and vapour retarder system, sealants and substrates;
- ❖ Continuity with the window and door air barrier and vapour retarder systems;
- ❖ Continuity of interfaces with adjacent wall systems and roofing system.

Comments will be provided in regards to the general conformance of the shop drawings with the specifications and project details. We have allowed for a one time review and re-review of revised shop drawings.

iii) Building Envelope Field Review:

During the installation of the precast wall, window wall, punched window and roofing systems, we will perform periodic site reviews of the above grade exterior walls and roofing for the Student Residence. To optimize the effectiveness of field review we will coordinate our visits with the Contractor depending upon the construction schedule. We will provide a proposed distribution list for our reports to the Owner/Contractor while performing the first site review. Our scope of work does not include materials testing.

Comments will be provided in regards to the general conformance of the work with the specifications and the shop drawings. After each field visit, when possible, we will verbally review our findings with the installer/Contractor prior to leaving the site.

Site Review reports will be provided after each site review which documents our observations, site conditions, date, weather conditions, materials present at the time of our review, procedures witnessed, deficient work (if applicable), and recommendations for remedial work, as appropriate. Photographs of salient observations will be provided. We will coordinate our observations with the Contractor's deficiency tracking system so building envelope deficiency items are rectified promptly.

We have included for 14 site visits and review reports for each Phase at the mock-up, 15, 50, 90 and percent completion stages of each major building envelope system for Buildings A & B which are to be constructed at the same time and Buildings C & D which will be constructed at the same time 18 months later.

**Fee:**

Our fee is as follows

	A. Building Envelope Design Assistance	B. Shop Drawing Reviews	C. Building Envelope Field Reviews *	Totals
All Towers	\$14,200	\$3,500		\$17,700
Tower A & B (Phase 1)			\$6,650	\$6,650
Tower C & D (Phase 2)			\$6,650	\$6,650
Total			\$31,000 + HST	

\* We have estimated 14 site visits/phase assuming construction of the 2 towers proceeds simultaneously and deficiencies are corrected promptly. Our fee for extra site visits will be \$475 *each*

Taxes and disbursements as per attached rates are in addition to the above noted fees. *JW*

Our fees will be invoiced monthly as a percentage of completion. Payment in full is due upon receipt of the invoice. We reserve the right to discontinue services, without penalty, in the event of non-payment.

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**Fee Assumptions**

1. The noted fee is for consulting engineering services.
2. If the scope of work changes significantly, we may request additional fees. We will not undertake any work that is additional or supplemental to, or in substitution of, the Scope of Services specified in this proposal, prior to receiving your approval.
3. Expenses for travel (including parking, and mileage), printing, and couriers are not included in the above noted fee and will be billed separately.
4. Services will be rendered in accordance with the Performance Guidelines for Engineering Work published by the Association for Professional Engineers Ontario, and applicable building codes and bylaws for the scope described.
5. Any and all additional taxes that are properly due and payable in respect of goods and services under this agreement will be in addition to the fee quoted.
6. Our fees will be invoiced monthly as a percentage of completion. Payment in full is due upon receipt of the invoice. Overdue accounts are subject to interest charges after 30 days from the invoice date in the amount of 1.5% per month (19.56% per annum) on the outstanding balance.

We trust this proposal meets with your approval. Should you have any comments or questions, please contact our office.

Yours very truly,  
STEPHENSON ENGINEERING LTD.

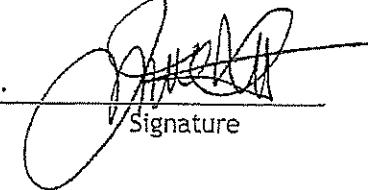
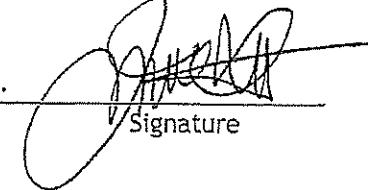
Bob Marshall  
Bob Marshall, P.Eng., BDS, LEED AP,   
Senior Building Science Consultant  
[bmarshall@stephenson-eng.com](mailto:bmarshall@stephenson-eng.com)

Mansouri  
Mohsen Mansouri, P.Eng., LEED AP  
Senior Principal  
[mmansouri@stephenson-eng.com](mailto:mmansouri@stephenson-eng.com)

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**AUTHORIZATION TO PROCEED**

We find this proposal acceptable. Stephenson Engineering Ltd. is authorized to proceed with the work as described above.

Jennifer Xu   
Name (Please Print)   
Signature

Nov. 1, 2012

Date

---

## Hourly Rates for Professional Services - 2012

---

Senior Principal .....	\$220.00/hour
Principal .....	\$200.00/hour
Senior Associate .....	\$150.00/hour
Associate / Project Engineer .....	\$140.00/hour
Senior Engineer .....	\$125.00/hour
Engineer .....	\$110.00/hour
CAD/BIM Operator.....	\$100.00/hour
Clerical Services .....	\$70.00/hour

### Disbursements

Expenses such as reproduction charges, in-house plotting, long distance telephone calls, delivery costs etc., will be charged at 1.1 x cost.

Automobile mileage will be charged at \$0.55 per kilometre (km).

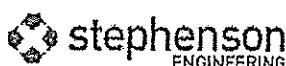
### Note

- 1) All personnel involved in specialty assignments, litigation hearings, etc. will be charged at 1.50 times the designated rate.

**Rates:** Effective August 1<sup>st</sup>, 2012

**Terms:** After 30 days, interest will be charged at 1.5% compounded monthly (19.56% annually) on overdue accounts.

**Taxes:** Any applicable taxes are in addition to the above rates.



---

Jennifer Xu  
JD Development Group  
3601 Highway 7 East, Suite 610  
Markham, Ontario  
L3R 0M3

September 25<sup>th</sup>, 2012  
Revised: September 27<sup>th</sup>, 2012  
Revised: October 9<sup>th</sup>, 2012  
Revised: October 10<sup>th</sup>, 2012

Sent via email: jennifer.xu@jddevelopment.ca

---

Re: Student Residence located at 256 Phillip Street, Waterloo, Ontario  
Project Number: 20120628

Dear Jennifer,

Thank you for the opportunity to partner with you on the proposed student residence at 256 Phillip Street in Waterloo, Ontario.

For over 40 years, Stephenson Engineering has provided structural consulting as an Outcomes-Driven Company. While others compete on products and services, we are in the business to deliver successful Outcomes. We make certain that we fully understand the outcomes you hope to achieve. We strive for your Peace of Mind and pride ourselves on being Easy to Do Business With.

Our research and experience indicates that where Creativity, Scheduling and Profitability outcomes are important to you, we knock the ball out of the park. Those three areas are our Sweet Spot. Our commitment to you is to ensure that we fully understand your unique goals and requirements, and then provide you and your selected Project Team with the structural expertise, resources, alternatives and capabilities to meet your most important objectives.

I have summarized below my understanding of the project.

#### Project Description

Based upon architectural drawings received via email on September 24<sup>th</sup>, 2012 and the soils report prepared by LVM dated October 25<sup>th</sup>, 2012; it is my understanding that the project will include the following:

- Student residences in four towers above a single level of underground parking
- Towers A & B are identical 20-storey towers with an area of 195,800 feet squared each and contain 108 units each
- Towers C & D are identical 21-storey towers with an area of 205,900 feet squared each and contain 120 units each
- The below-grade parking area is ..... 277,000 ft<sup>2</sup>±
- The total area is approximately ..... 1,080,000 ft<sup>2</sup>±



Project Number: 20120628  
Date: September 25<sup>th</sup>, 2012  
Revised: September 27<sup>th</sup>, 2012  
Revised: October 9<sup>th</sup>, 2012  
Revised: October 10<sup>th</sup>, 2012  
Page 2 of 8

- 
- There are 148 parking stalls on-grade and 326 stalls below-grade
  - The preferred method of construction will be cast-in-place concrete for the basement up to and including the ground floor, and the above-grade structure is to be built with precast shear walls, precast columns and hollow core precast slabs.
  - The preferred cladding system will be architectural precast
  - The project will be completed in two phases

### **Our Approach for Deliverables**

We know that the schedule of design deliverables is crucial for success of the project and we have developed an internal approach/procedure to mitigate this risk, with special attention to significant and large projects. Please refer to Appendix "A" for our detailed "Approach for Deliverables".

### **Value Added - Building Information Modeling (BIM)**

As value added service, we are proposing that our structural consulting services be delivered using a 3-D modeling program REVIT (BIM). Stephenson Engineering has been using Building Information Modeling (BIM) for the last five years. For a short description of benefits using BIM technology, please refer to Appendix "A".

### **Insurance**

We have Professional Liability Insurance in the amount not less than Five Million Dollars per claim and in annual aggregate. Our Certificate of Professional Liability Insurance can be provided at your request.

### **Scope of our Service**

As part of our submission we have indicated our anticipated scope of service for the Design Development, Contract Document and Construction Administration Phases.



Project Number: 20120628  
Date: September 25<sup>th</sup>, 2012  
Revised: September 27<sup>th</sup>, 2012  
Revised: October 9<sup>th</sup>, 2012  
Revised: October 10<sup>th</sup>, 2012  
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## Fee

Our fee is as follows:

	Design Development	Contract Documents	Contract Administration	Total
Tower A	\$7,800	\$49,800	\$9,800	\$67,400
Tower B	Ø	\$17,700	\$9,800	\$27,500
Tower C	\$8,200	\$52,500	\$10,300	\$71,000
Tower D	Ø	\$19,000	\$10,300	\$29,300
Underground	\$11,000	\$70,000	\$13,800	\$94,800
			Grand Total	\$290,000

Field review of construction will be invoiced at \$475.00 per visit. We would estimate 30 site visits for the below-grade, cast-in-place structure, and that for the precast towers bi-weekly field reviews will be required for the duration of the structural construction.

Taxes and disbursements are in addition to the above noted fees.

Please note, we have not provided a fee for preparation of rebar shop drawings; however, we can provide this service if requested.

Our fees will be invoiced monthly as a percentage of completion. Payment in full is due upon receipt of the invoice. We reserve the right to discontinue services, without penalty, in the event of non-payment.

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### Fee Assumptions

Our proposed fee is based on the following assumptions:

- i) If the scope of the project changes significantly, or if re-design and re-drawing of the structural components is required, we will negotiate fees for this additional work.
  - ii) Documents from all the disciplines will be completed simultaneously.
  - iii) Schedule: Design Development will commence upon award of the project. We will work with you, the client, and the architect to define the structure for the site plan application. Upon completion of the SPA and zoning approval, working drawings will proceed for a construction start in the spring of 2013.
  - iv) Construction cost estimates will be prepared by a qualified cost consultant, retained and paid for directly by the Owner, as required.
  - v) Specialist consultants will be retained and paid for directly by the Owner, as required (e.g. Geotechnical Consultant, Inspection and Testing Company, Acoustical Consultant, Vibration Consultant, etc.).
  - vi) The design of structural steel connections and all construction process items such as temporary works (including shoring, formwork, crane bracing, etc.) that may be required for construction are not included in our fee. Design of these items will be performed by the appropriate trade contractor, based on design criteria prepared by us.
  - vii) Services will be rendered in accordance with the Performance Guidelines for Structural Engineering Work in Buildings, published by the Professional Engineers of Ontario, and applicable building codes and by-laws for the scope described.
  - viii) Non-structural elements (such as cladding, non-load bearing masonry, partitions, miscellaneous metals, railings, etc.) are excluded from our scope of work for basic services.
  - ix) If our services are required with respect to these items, we will negotiate fees for this additional work.
  - x) Disbursements: please refer to our attached 'Hourly Rates for Professional Services - 2012'.
  - xi) All additional taxes that are properly due and payable in respect of goods and services under this agreement will be in addition to the fee quoted.
  - xii) It is assumed that towers A & B and towers C & D will be identical but mirrored.
  - xiii) The project construction will be completed in 2 phases however; the drawings for the entire project will be completed at one time (phase 1).
  - xiv) Stephenson Engineering Ltd. will assist in locating the phasing line.
  - xv) The occupancy for phase 1 will be September 2014 and phase 2 will be September 2015.
  - xvi) We have assumed that tanking of the basement against the ground water will not be required.
  - xvii) We have assumed that spread footing and/or raft foundations will be used not deep foundations.
- 2016 \$8

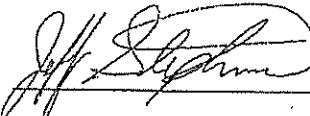


Project Number: 20120628  
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Page 5 of 8

Thank you for the opportunity of providing this proposal. I look forward to working with you on this project. Please do not hesitate to call me if you have any questions regarding our submission.

Yours very truly,  
STEPHENSON ENGINEERING LTD.

per

  
Jeff Stephenson, P. Eng.  
Managing Principal  
jstephenson@stephenson-eng.com

---

Authorization to Proceed:

We find this proposal acceptable. Stephenson Engineering Ltd. is authorized to proceed with the work as described above.

Julia Yueying Zhang  
Name (please print)

J. Stephenson  
Signature

Oct. 10, 2012  
Date

JDS:ap(fee)



Project Number: 20120628  
Date: September 25<sup>th</sup>, 2012  
Revised: September 27<sup>th</sup>, 2012  
Revised: October 9<sup>th</sup>, 2012  
Revised: October 10<sup>th</sup>, 2012  
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## Scope of Service

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The services of Stephenson Engineering Ltd. for this proposal include those summarized below.

### Basic Services

#### Design Development Phase

1. Attend meetings as required
2. Prepare Red Line Drawings suitable for marketing and preliminary budget purposes
3. Provide structural criteria for Geotechnical Consultant
4. Assist in determining the locations of phase 1 and phase 2 of construction

#### Contract Documents Phase

1. Prepare structural design of Primary Structural System
2. Designate elements to be designed by Specialty Engineers and specify structural criteria for Specialty Engineers design of pre-engineered structural elements
3. Review effect of secondary or non-structural elements attached to primary structural system
4. Attend meetings as required
5. Assist in coordination with Building Officials
6. Finalize structural calculations
7. Finalize structural drawings
8. Prepare or edit specifications for the primary structural system
9. Assist in establishing testing and inspection requirements
10. Perform checking and coordination of the structural documents
11. Participate in coordination of the structural documents with those of other disciplines
12. Assist in determining which, if any, construction procedures shall be submitted for review
13. Assist in filing construction documents for approval by Building Official
14. Revise construction documents as required by Building Official



Project Number: 20120628  
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## Scope of Service - Continued

### Construction Administration Phase

1. Pre-Construction Services
  - a. Attend meetings as required
  - b. Assist in establishing communications procedures
  - c. Assist in establishing procedures for testing and inspections
  - d. Assist in confirming submittal procedures
  - e. Assist in selection of Testing Agency
  - f. Advise Client and Contractor which structural elements require construction observation by SEL
  - g. Respond to Building Department comments
2. Submittal Review
  - a. Review specified submittals for items designed by SEL (concrete mixes, reinforcing steel shop drawings, structural steel shop drawings etc.)
  - b. Review submittals for pre-engineered structural elements (precast stairs etc.)
  - c. Assist with locating the tower crane to suit base building
3. Materials Testing and Inspection
  - a. Review testing and inspection reports (concrete, soils, shoring etc.)
  - b. Initiate appropriate action to those reports (if required)
4. Site Assistance
  - a. Provide interpretations of structural construction documents
  - b. Assist in determining if non-conforming structural work shall be rejected
5. Construction Observation
  - a. Attend site meetings as required
  - b. Make site visits at intervals appropriate to the stage of construction and the requirements of the Ontario Building Code
6. Project Closeout
  - a. Final review and report suitable for occupancy application
  - b. Prepare "record drawings"



Project Number: 20120628  
Date: September 25<sup>th</sup>, 2012  
Revised: September 27<sup>th</sup>, 2012  
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Revised: October 10<sup>th</sup>, 2012  
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## Hourly Rates for Professional Services - 2012

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Senior Principal.....	\$220.00/hour
Principal .....	\$200.00/hour
Senior Associate .....	\$150.00/hour
Associate / Project Engineer .....	\$140.00/hour
Senior Engineer.....	\$125.00/hour
Engineer .....	\$110.00/hour
CAD/BIM Operator.....	\$100.00/hour
Clerical Services.....	\$70.00/hour

### Disbursements

Expenses such as reproduction charges, in-house plotting, long distance telephone calls, delivery costs etc., will be charged at 1.1 x cost.

Automobile mileage will be charged at \$0.55 per kilometre (km).

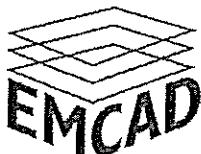
### Note

- 1) All personnel involved in specialty assignments, litigation hearings, etc. will be charged at 1.50 times the designated rate.

Rates: Effective August 1<sup>st</sup>, 2012

Terms: After 30 days, interest will be charged at 1.5% compounded monthly (19.56% annually) on overdue accounts.

Taxes: Any applicable taxes are in addition to the above rates.



**EMCAD Consulting Engineers**  
Mechanical | Electrical | Plumbing  
*We bring buildings to life*

759 Hyde Park Road  
Suite 150  
London, ON  
N6H 3S2  
*Email* general@emcad.ca  
*Ph* 519.641.3040  
*Fax* 519.641.1634  
*web* www.emcad.ca

November 8, 2012

SENT BY EMAIL  
hao.zhang@jddevelopment.ca

JD Development Phillip Street Limited Partnership  
3601 Highway 7 E, Suite 610  
Markham, ON L3R 0M3

ATTENTION: Hao Zhang

**Re:** 256 Phillip Street  
Student Housing Apartment Buildings  
Waterloo, Ontario

Dear Hao,

We are pleased to re-submit to you the following proposal for Consulting Engineering Services for the above noted project. Our services will be in accordance with the Performance Standards as published by the Association of Professional Engineers of Ontario and will be as described herein.

Project Description

A four building development consisting of two identical, 20 storey buildings and two identical, 21 storey buildings all on one level of underground parking, with 451 residential units with 1,807 Bedrooms.

Description of Services

This proposal includes for the preparation of Mechanical and Electrical Working Drawings with Specifications required for tender purposes and as required by the Ontario Building Code and to provide Construction Site Review services as outlined below.

Phase I – Working Drawings

This proposal includes for the preparation of Mechanical and Electrical Working Drawings and Specifications required for Permit Submission and Tender/Construction purposes and includes:

General

- Ensure the building has been designed to exceed by not less than 25% the energy efficiency levels attained by conforming to the CCBFC, "Model National Energy Code for Buildings". O.B.C. compliance is determined by performing a computer energy simulation (Energy Modelling) of the building using EE4 Software.
- Coordinate the mechanical and electrical design work with the architectural, civil and structural drawings.
- Attendance at consultants' meetings in Markham as required

Electrical

- Power distribution system
- Electrical load calculations and service design

- Complete electrical services for mechanical equipment
- Lighting of all common areas in conjunction with interior designer and/or architect
- Lighting and power for all suites
- Fire alarm system
- Emergency power system
- Conduit system for Cable, Bell, CCTV and security system
- Exterior lighting in conjunction with architect and landscape architect

**Mechanical**

- Plumbing, Drainage, Heating, Air conditioning and Ventilation systems
- Pressurization systems for smoke control measures as determined by the Architect
- Site service connections to property line by others
- Storm water management report by others
- Design for storm water retention as contained in the storm water management report provided by others.
- Fire Protection design for entirely sprinklered buildings and standpipe system. Detailed sprinkler layout and hydraulic calculations for pipe sizing is provided by Design/Build Fire Protection contractor.
- Gas piping from meters to all gas utilization equipment

**Phase II - Construction Support Services**

- Review of Shop Drawings submitted by electrical and mechanical sub-contractors
- Processing of Addendums, Contemplated Change Notices (CCN's) and Site Instructions as required
- Finalization of as built drawings from mark-up sets received from contractors and review and approval of turnover material
- Monitoring of Deficiencies

**Phase III –Site Construction Meetings and Site Review**

- Emcad to visit the site in Waterloo, Ontario for construction meetings and site reviews as required for the duration of M&E construction phase. Our fee to visit the site is \$725.00 per visit (includes travel expenses) for visits during 2013 and 2014, increased by 3.5% for each year thereafter.
- If attendance *only* to a meeting is required, this will be billed based on our hourly rate plus travel costs.
- For this project we anticipate one (1) site visit per month during the M&E construction schedule.
- Provide substantial completion letter for occupancy purposes complete with a final deficiencies list for each building.

**General**

- All disbursements costs are included except for plotting and printing for all Issued Documents (Drawings and Specifications).

**Engineering Fees**

Phase I	- Working Drawings	
	Building A	\$80,000.00
	Building B	\$40,000.00
	Building C	\$80,000.00
	Building D	<u>\$40,000.00</u>
	Design Fees	\$240,000.00
	Less Fees build to date (as of September 30, 2012)	<u>-\$15,000.00</u>
	Net Design Fees	\$225,000.00

<b>Phase II</b>	- Construction Support Services	
	Building A	\$15,000.00
	Building B	\$15,000.00
	Building C	\$15,000.00
	Building D	<u>\$15,000.00</u>
	<b>Construction Support Fees</b>	<b>\$60,000.00</b>
	<b>Total Engineering Fees</b>	<b>\$285,000.00</b>

**Phase III**      - Site Construction Meetings and Site Review  
(\$725.00 per visit, adjusted annually for the duration of M&E construction phase, not included above)  
-If meeting only is required, then to be billed hourly (as per our fixed rate schedule) plus mileage

**Notes:**

1. This price is in effect for thirty days only from the date of submittal.
2. The above prices do not include HST

This price does not include;

- design of the Landscape Sprinkler system
- design of M&E systems for Retail Tenant Layouts
- detailed sprinkler layout and hydraulic calculations for pipe sizing normally completed by Design/Build Fire Protection contractor.
- changes to drawings and specifications if the two 20 storey buildings are not Architecturally identical (except for the lower two floors)
- changes to drawings and specifications if the two 21 storey buildings are not Architecturally identical (except for the Ground Floor)
- the provision of O & M manuals
- submission to Electrical Safety Authority
- changes to drawings and specifications due to M&E design scope changes after issue of Permit drawings
- disbursements for plotting and printing of construction documents (Drawings and Specifications).
- H.S.T.

**Schedule of Hourly Rates Fixed (2012-2014)**

Any extra work above and beyond the above scope of work will be charged out at the following Schedule of Rates:

• Principal, David W. Myles, P.Eng.	\$125.00 per hour
• Robert G. Roffel	\$105.00 per hour
• Senior Designer	\$100.00 per hour
• Engineering Assistant	\$95.00 per hour
• Intermediate Designer	\$90.00 per hour
• Senior Drafting	\$78.00 per hour
• Intermediate Drafting	\$68.00 per hour
• Junior Drafting/Clerical	\$58.00 per hour
• Site Coordinator	\$90.00 per hour

**Payment Terms:**

Net 30 days from date of invoice.

Carrying charges applied at 2% per month compounded monthly (26.82% per annum)

**Insurance, Damages and Liability of EMCAD:**

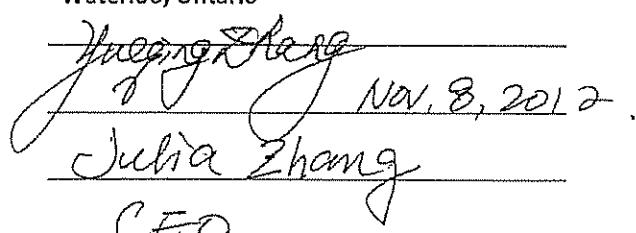
The client agrees that any and all claims which it has or may hereafter have against EMCAD, its officers, directors, servants, employees, subconsultants and representatives, (collectively "EMCAD") in any way arising out of or related to Emcad's duties and responsibilities pursuant to this agreement shall be absolutely limited to:

- (a) direct damages arising out of the Services, and there shall be no liability on the part of Emcad for any consequential loss injury or damage incurred by the client including damages for loss of profits and loss of markets;
- (b) the amount of \$1,000,000 and
- (c) to Claims brought within six years from the date of termination or suspension of Emcad's services or the date of the Certificate of Substantial Completion, whichever is earlier.

"Claim and "Claims" means a claim or claims in contract or tort. If for any reason insurance coverage is not available or does not apply to any Claim against Emcad in respect of the services, then the liability of Emcad to the client shall be absolutely limited to the re-performance at Emcad's own cost of those Services which are proven at law to constitute errors, omissions or negligent acts on the part of Emcad or anyone for whom Emcad is responsible at law.

This paragraph shall survive the completion of the Services contemplated by this agreement.

If you should accept this proposal, please sign and return the following Acceptance Form:

Fee Proposal for:	256 Phillip Street Student Housing Apartment Buildings Waterloo, Ontario	Amount: \$285,000.00 + HST Plus Phase III Site Visits.
Accepted By:		
Date:	Nov. 8, 2012	
Name:	Julia Zhang	
Title:	CEO	
Company:	JD Development Phillip Street Limited Partnership	

We hope that you find this proposal in order and that we might be of service to you. However, if you have any questions, please do not hesitate to contact me.

Yours truly,



David W. Myles, P.Eng.

President

File: RFP 256 Philip St Nov 6'12.doc

# HUDSON KRUSE

Studio #116 - 363 Spadina Avenue  
Toronto, Ontario, M6R 3C1  
Canada

Tel 416-534-1818  
fax 416-535-9164  
email info@hudsonkruse.com

## INTERIOR DESIGN SERVICES AGREEMENT

This Agreement is made on:  
November 12<sup>th</sup>, 2012

B E T W E E N:

JD Group Phillip Street Limited.

- and -

Hudson Kruse Design Trust Inc.

## ARTICLE I BASIC AGREEMENT

- 1.1 Design Project.** The Client hereby retains the Designer to provide, and the Designer hereby agrees to perform, the Consulting Services, as provided in Article 2, for the design project described below:

## Suite layouts

- 1.2 Review suites as proposed by architect
  - 1.3 Refine or develop furniture layouts to maximize space

Concept and Program Development (Per pair of building type) x 2 \$15,400.00

- 1.4 Present images and concept direction
  - 1.5 Space plan and program Amenity spaces
  - 1.6 Develop finishes direction for suites and amenity spaces
  - 1.7 All local meetings during this Phase are included

**Interior design Drawing Package (per pair of building type)** x 2 \$32,700.00

- 1.8 Fully Develop amenity spaces and common areas
  - 1.9 Provide fully coordinated working drawing set for tender
  - 1.10 Attend coordination meetings as required (max 6) included
  - 1.11 Provide sample boards for site and JD headquarters
  - 1.12 Full signage package (suite, public, amenity, circulation & building)
  - 1.13 All local meetings during this Phase are included

**Field Review Responsibilities (optional):** x 4 \$7,350.00

- 1.14 Assumes 10 meetings per building @ \$735.00/meeting includes travel
  - 1.15 Regular site visits during construction (10 max included per building)
  - 1.16 Attend all consultants meetings as required (to be combined with above total)
  - 1.17 Complete field review reports during construction as required
  - 1.18 Coordinate Typical Corridor/Suite entry mock-ups.

Furniture Specification Binder (optional) x4 \$5,000.00

Total Fixed Fee for entire project all four buildings \$145,600.00

(the "Design Project").

**ARTICLE 2  
CONSULTING SERVICES**

- 2.1 **Fees and Disbursements.** In consideration for the Consulting Services to be provided by the Designer under this Agreement, the Client agrees to pay to the Designer the Fees, Disbursements and any taxes payable in respect of such Consulting Services, as provided in Article 4.
- 2.2 **Contractors and Third Parties.** Subject to any agreement between the Parties to the contrary, the Client shall be responsible for entering into agreements with any contractors whose services are required to complete the Design Project. Notwithstanding the foregoing, or any other provision in this Agreement, the Designer may, in its sole discretion, use the services of its associates, employees or other third parties, or subcontract the performance of any portion of the Consulting Services to third parties as the Designer deems appropriate ("Third Parties"). The Designer will notify the Client of any and all use of Third Parties, in the performance of any portion of the Consulting Services. The services of Third Parties (if and when required and approved by you) will be billed for as well.

*JLW*  
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### ARTICLE 3 CALCULATION OF FEES AND DISBURSEMENTS

**3.1 Compensation Method.** The fees ("Fees") payable by the Client to the Designer shall be calculated as follows:

— (a) **Fixed Fee.** A Fee of One Hundred and Forty Five Thousand, Six Hundred Dollars.

This is an individual fee per building of And an additional optional fee per building of	\$24,050.00	x4	\$ 96,200.00
	\$12,350.00	x4	\$ 49,400.00

It will be at JD's discretion to proceed or not to proceed any of the services as required. All services will be carried out to suit project needs, including the timelines where required.

— (b) **Hourly Rate Fee.** A Fee equal to the total number of hours expended by persons performing the Consulting Services multiplied by their respective hourly rates as set out below:

Principal Designer	Two Hundred	Dollars (\$ 200.00) per hour
Senior Designer\ Project Manager	One Hundred - Twenty Five	Dollars (\$ 125.00) per hour
CAD Operator\ Intermediate Designer	Eighty - Five	Dollars (\$ 85.00) per hour
Draftsman/Junior Designer	Sixty	Dollars (\$ 60.00) per hour

Additional Items Billed Hourly (rates to be locked for duration of project)

- Revisions to Drawings after construction sets are issued
- Any site installation time (ie. Furniture Installation time)
- Any additional Site Visits or meetings additional to the 10 per building

**3.2 Purchasing.** Furniture purchasing and coordination will be billed on the following basis: We issue separate invoices for furniture and accessories. We shall place orders for furniture and accessories when we receive a signed confirmation from you with your deposit for 50% of the total of the confirmation. All Supplier shipping charges and Local Delivery costs have an

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administration charge of 15% and are extra. All deposits on furniture are placed in our " Client Retainer Account". Deposits to suppliers are paid from the "Client Retainer Account" on your behalf.

We invoice for the balance of the furniture prior to delivery. Payment of invoices for furniture, millwork and accessories is due upon receipt and often "C.B.D" (Cash Before Delivery) (This is necessary, as many of our suppliers demand C.B.D payment.) Hudson Kruse Design Trust Inc. retains title to all furniture and accessories until each item is paid for in full. Payments for invoices and confirmation can be made by CASH or CHEQUE.

- 25%  
Eym
- 3.3 **Trade Discount.** Registered Interior Designers have access to industry discounts and therefore purchase on a wholesale basis. Goods are sold to our clients with a discount from the retail value of the goods. Hudson Kruse Design will mark-up all discounted items by only 20%. (For example: a fabric with a wholesale price of \$100.00 per yard, which retails for \$200.00 per yard; shall be sold to our client through our office for \$120.00 per yard, a saving of \$80.00 per yard over the retail value).  
\$75.00 Eym  
\$125.00 Eym

Where the client decides not to purchase items that the Project Manager has spent time pricing and coordinating, the client may be billed at Project Manager Rates.

- 3.4 **Disbursements.** The Client shall reimburse the Designer for any and all disbursements incurred by the Designer in connection with the provision of the Consulting Services which are, in the opinion of the Designer, necessary or advisable for, or incidental to, the performance of the Consulting Services and may include any one or more of the following: automobile travel, photocopying, printing, plotting, reproduction, long distance telephone and facsimile charges, courier charges, parking charges away from the Designer's office, photographic film, processing and printing charges, charges for renderings, transportation costs, accommodations and meal expenses ("Disbursements"). All applicable taxes and a 15% administration charge will be passed along to you.

#### ARTICLE 4 PAYMENT OF FEES AND DISBURSEMENTS

- 4.1 **Fees, Disbursements and Taxes.** The Client shall pay the Designer upon delivery of monthly invoices, the Fees, Disbursements and any and all taxes payable in respect of the Consulting Services and Disbursements, or in respect of any other goods and services supplied to the Client, or amounts payable by the Client under this Agreement. All Fees and Disbursements for which the Client has been invoiced and any applicable taxes shall be paid by the Client within 30 days of the date of the invoice. Interest shall be calculated on balances outstanding for more than 30 days from the date of the invoice at an annual rate of twenty-four percent ( 24 %) per year or two percent ( 2 %) per month, compounded annually.
- YR TR

ARTICLE 5  
DESIGNER'S WARRANTIES

- 5.1 **Limited Representation or Warranty.** The Designer does not make any representation or warranty regarding the quality of goods or materials supplied in connection with the Consulting Services, including any representation or warranty that such goods or materials are free of defects, fit for the purpose intended or are merchantable. The Designer shall not be liable for any defects in the services supplied to the Client by a third party. Notwithstanding the foregoing, the Designer will be liable for defects in services and materials supplied to the Client by a Third Party who is subcontracted pursuant to Section 2.3 of the Agreement. The warranties contained in this Agreement are in lieu of any and all other express, implied or statutory warranties that might otherwise apply to this Agreement or the Consulting Services.

ARTICLE 6  
TERMINATION

- 6.1 **Termination.** Either Party may terminate the Agreement upon not less than seven days written notice should the other Party fail to substantially perform its obligations under the Agreement through no fault of the Party initiating the termination. Upon termination, the Client shall pay to the Designer within 30 days of the date that an invoice is submitted, all Fees, Disbursements and taxes incurred up to the date of termination.

ARTICLE 7  
LIMITATION OF LIABILITY

- 7.1 **Release.** The Client hereby releases the Designer, its successors and assigns from any and all liability that the Designer might have to the Client for any amounts in excess of the Fees for the Consulting Services or the amount payable under the Designer's professional liability insurance referable to the Client's Claim, whichever is less.
- 7.2 **Indemnification.** The Client shall indemnify and hold harmless the Designer, its agents, employees, successors and assigns in respect of any claim, demand, action, cause of action, damage, loss, cost, liability or expense ("Claim") which may be brought against the Designer or which he/she/it may suffer or incur directly or indirectly as a result of, any breach of or any non-fulfillment of any covenant or agreement on the part of the Client under this Agreement.
- JL, P*

## ARTICLE 8

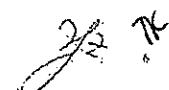
### ARBITRATION

- 8.1 **Remedy is Arbitration.** Should any dispute arise with respect to this Agreement, each of the Designer and the Client covenants and agrees to submit the issue to arbitration under the *Arbitrations Act* (Ontario) by a single arbitrator. Any such matter may be referred to arbitration pursuant to this paragraph by giving five (5) days notice to the other Party of the issue and that the Party providing the notice desires it to be arbitrated. Selection of an arbitrator shall be by mutual agreement of the Parties within fifteen (15) days after referral of the dispute, failing which, the arbitrator shall be a person appointed by the court. The place of arbitration shall be Toronto, Ontario, or such other place selected by mutual agreement of the Parties.

## ARTICLE 9

### GENERAL PROVISIONS

- 9.1 **Other Provisions.** Any other provisions which are to govern the relationship between the Designer and Client shall be set-out in Schedule "B", which provisions shall form part of this Agreement. This Agreement is the entire and only Agreement between the Parties relating to the Consulting Services and it completely replaces any other such agreements, representations and negotiations between the Parties.
- 9.2 **Counterparts.** This Agreement may be executed in any number of counterparts, either in original or faxed form, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.
- 9.3 **Successors and Assigns.** This Agreement shall ensure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. No Party may assign all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party.
- 9.4 **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.
- 9.5 **Governing Law and Attornment.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated, in all respects, as an Ontario contract. The Parties hereby attorn and submit to the exclusive jurisdiction of the courts of the Province of Ontario.
- 9.6 **Currency.** All dollar amounts referred to in this Agreement shall be payable in Canadian dollars.



-7-

IN WITNESS WHEREOF the Parties hereto have affixed their signatures on the dates below.

JD Group Phillip Street Limited

Per: Heng Tang Date: May 21, 2012

Trevor Kruse  
Hudson Kruse Design Trust Inc.

Per: Trevor Kruse Date: May 26, 2012

JZ M.



November 22, 2012

Proposal No. P2-1187-0337

Mr. Hao Zhang,  
JD Development Group  
3601 Highway 7, Suite 610  
Markham, Ontario  
L3R 0M3

JD Development Phillip Street Limited JZ

**RE: PROPOSAL TO CONDUCT A PRE-DEMOLITION DESIGNATED SUBSTANCES SURVEY OF  
SELECT TOWN HOMES LOCATED AT 256 PHILLIP STREET, WATERLOO, ONTARIO**

Dear Mr. Zhang,

Golder Associates Ltd. (Golder) is pleased to provide this cost proposal JD Development Group (JDDG) to conduct a pre-demolition designated substances and hazardous materials survey of a representative number of town homes located at 256 Phillip Street, Waterloo, Ontario (the Site). Golder understands the objective of this work program will be to quantify the hazardous materials present on Site in preparation for proposed demolition activities. The following proposal outlines our scope of work and costs. A total of sixty-eight units are reportedly present on Site. Golder would survey twenty-four of the townhomes on the Site as part of this project.

### 1.0 SCOPE OF WORK

As the overall project involves the planned demolition of the Site buildings, the Scope of Work for this project will involve an intrusive survey of a representative number of town homes on the Site for hazardous materials regulated under the Occupational Health and Safety Act (OHSA) as designated substances, as well as select materials that fall under the jurisdiction of the Ontario Ministry of the Environment (MOE). Our investigation will include a visual assessment for the following materials:

- Asbestos, lead and other designated substances as prescribed under Ontario Regulation 278/05 – Designated Substance – Asbestos on Construction Projects and in Buildings and Repair Operations (O. Reg. 278/05), and Ontario Regulation 490/09 – Designated Substances (O. Reg. 490/09);
- Polychlorinated biphenyls (PCBs);
- Ozone depleting substances (ODS); and
- Mould contaminated building materials.

In addition, our survey will include an intrusive, visual identification of relevant designated substances, the collection of representative samples of suspected asbestos-containing materials (ACM), and sampling of the

most common painted finishes for subsequent analysis of lead content (lead-containing paint or LCP). Wall cavities and ceiling spaces that can be easily accessed through existing access panels, drop ceilings, etc., or which can be accessed using non-powered hand tools will be reviewed in order to identify designated substances concealed in interstitial spaces.

Based on the nature of construction and historical use of the building, it is not anticipated that all designated substances will be present at the buildings on the Site. Golder will document those which are present and report upon the absence of those which were confirmed not to be present.

## 2.0 METHODOLOGY

The hazardous materials survey will be conducted on an area-by-area basis. Where applicable, information on the location, type, condition, friability, and budget estimated quantities of ACM observed will be provided. This information will be used to provide recommendations to Golder Associates to remove these materials in accordance with provincial regulations and guidelines.

Golder will conduct an intrusive survey of all safely accessible areas within a representative number of town homes on the Site to assist in identifying designated substances and substances considered hazardous in nature. The intrusive investigation will be conducted in order to determine the presence and extent of asbestos and lead in accessible locations. Please note that while attempts will be made to quantify identified materials, the reported quantities should be considered estimates and should only be used for budgeting purposes.

### 2.1 Asbestos-Containing Materials

The survey will include the intrusive visual assessment of the buildings and their systems, for a representative number of town homes at the Site. The systems that will be reviewed as part of this assessment will include:

- Structural Systems (if applicable) - including fireproofing on: beams; columns; open and solid webbed joist systems; Q-deck; etc.
- Mechanical Systems (if applicable) - including: mechanical systems insulation; domestic hot and cold water; boiler and chiller systems; asbestos cement piping.
- Architectural Systems - including: texture coats; sheet flooring; vinyl floor tile; acoustical spray-applied materials; condensation control applications; ceiling tile; plaster; wall board; drywall joint compound; and asbestos sheet products.

Samples of suspected "homogeneous" asbestos-containing building materials (i.e. materials that are uniform in content, color, texture, and construction date) will be collected and submitted for analysis. Sampling will involve some minor to moderate damage to materials in order to obtain a representative sample. Golder will not be responsible to repair materials damaged by sampling unless the material is considered a friable asbestos product, in which case, Golder will provide a temporary patch. Non-structural items such as furniture, chairs, curtains, miscellaneous items, etc., will not be included in the sampling program. Suspect materials that can not be accessed for sampling (such as those suspected to be present behind solid surfaces) will not be included in this assessment.

O. Reg. 278/05 prescribes a minimum number of samples required per "homogeneous material" to verify the presence or absence of asbestos. Following the requirements of O. Reg. 278/05, a minimum of 3 samples per homogeneous material will be collected and submitted for analysis. However, dependent on the quantity and type of the building materials present, up to 5 or 7 samples may be collected to verify the presence or absence of asbestos.

All bulk samples of suspect ACM will be shipped, under chain of custody procedures, to a National Voluntary Laboratory Accreditation Program (NVLAP) and/or American Industrial Hygiene Association (AIHA) accredited laboratory for analysis. As required under Section 3(1) of O. Reg. 278/05, all analyses will be performed in accordance with U.S. Environmental Protection Agency (USEPA) Test Method EPA/600/R-93/116: Method for the Determination of Asbestos in Bulk Building Materials. All samples of vinyl floor tiles will be analyzed using transmission electron microscopy. During analysis, once a positive sample is identified (0.5% or greater asbestos content by dry weight), no additional analysis will be conducted for other samples of the same homogeneous material and the entire area of the material from which the sample was taken is deemed to be an ACM. This is referred to as a "stop positive" analytical result.

All ACM identified during the survey will be assessed on their condition and recommendations made as to the appropriate method for the management or removal of these materials. The survey will be conducted on a room-by-room or area-by-area basis and detail the location of each sample collected and suspect material on a drawing. All work will be conducted in accordance with the prescribed requirements of O. Reg. 278/05, and the general requirements of OHSA.

Roofing materials, window caulking, and other similar materials forming part of the building envelope, will be sampled as part of this survey. Due to the cost associated with the repair to these sample locations, costs for professional repair have not been provided in this proposal.

## **2.2 Lead-Containing Paint**

Visual identification and systematic sampling of lead containing paint (LCP) and other suspected lead-containing products will be completed as part of the survey. Testing for LCP will be conducted by collecting paint chip samples and sending them under chain of custody procedures, to an accredited laboratory for analysis. Testing for lead-containing paint will be conducted following American Society for Testing and Materials (ASTM) Method D3335-85A derived from the USEPA 846 Method 3050 where each sample is digested, diluted, and analyzed by flame atomic absorption spectrometry.

## **2.3 Mercury in Equipment and Fixtures**

A review of mercury-containing equipment installed at the Site will be conducted. Mercury-containing switches, thermostats and pressure-sensing devices, and mercury vapour containing lighting tubes, will be noted, when observed, in order to facilitate their removal (if required) prior to demolition activities.

## **2.4 Silica**

Silica is a common component of many building construction materials (i.e., concrete and masonry products) and therefore sampling for confirmation purposes is not required. A review of silica-containing building components will be conducted and reported as part of the survey.

## **2.5 Polychlorinated Biphenyls (PCBs)**

Due to the age of the town homes on the Site, PCB-containing fluorescent light ballasts are likely to be present. In light of health and safety considerations surrounding live electrical components, a review of a representative number of high-intensity discharge (HID) and fluorescent lamp ballasts, where present, will be conducted. This will be performed through visual date coding and a comparison of the manufacturer's codes with Environment Canada's Identification of Lamp Ballasts Containing PCBs (EPS 2/CC/2 revised, August 1991).

## 2.6 Ozone Depleting Substances (ODS)

A review of any refrigeration and air conditioning units will be completed to verify the presence of ozone depleting substances such as refrigerants R-11, R-12 and R-22. The presence of CFCs will be determined by gathering label information such as the manufacturer, model and serial numbers as well as date codes. Where ODS are discovered, Golder will provide recommendations in reference to the Halocarbon Regulations (SOR/2003-289).

## 2.7 Mould-Contaminated Building Materials

As part of the Site investigation Golder will also review building materials for the presence of mould contamination. Where noted, a photograph will be collected and the area of contamination will be approximately characterized where possible. The results of this visual assessment will be incorporated into the final report. If the presence of mould is suspected in an ambiguous manner, a tape-lift sample may be collected for confirmation by laboratory analysis. Tape-lift samples are collected using a clear, adhesive tape and clean microscopic slides. Samples will be analyzed by light microscopy techniques to report moulds with visual underlying mycelial and/or sporulating structures. Samples will be submitted to a laboratory successfully participating in the AIHA Environmental Microbiology Proficiency Analytical Testing (EMPAT) program.

## 3.0 SURVEY REPORT

Upon completion of the field work and interpretation of the sampling data, Golder will provide a report presenting our findings and listing the results of the laboratory analysis with a summary for the Site buildings appended. The report will be provided within five business days following the receipt of laboratory analyses, and will include designated substances and hazardous materials inventories, approximate quantities, identification of sampling locations, findings and recommendations for the Site. Photographs and Site drawings will be included in the report.

The report (one hard copy and one electronic copy) will include methodology, results/findings, and recommendations. Included in appendices for the report will be separate spreadsheet summarizing findings for asbestos and lead, Site drawings identifying locations of confirmed/suspected hazardous materials and samples of such materials and laboratory certificates of analysis.

## 4.0 SCHEDULE

We are prepared to initiate this project within five days of receiving your written authorization to proceed. We have included for two days of field work to complete this assignment as outlined herein and anticipate that laboratory analysis of asbestos samples (if required) will require approximately one week. Upon receipt of sample results, a report will be prepared detailing the findings of our assessment within five business days.

## 5.0 COST

Golder's fee to conduct the scope of work as defined is \$5,865.00 (exclusive of Taxes). This fee includes preparation, travel, Site time, laboratory costs, disbursements, and report preparation. A task break down is provided below:

	Golder Fees	Golder Expenses	Sub-totals
Hazardous Materials Survey (based on two days of field work)	\$2,700		\$2,700
Reporting /Senior Review / Project Management	\$1,150		\$1,150

	Golder Fees	Golder Expenses	Subtotals
Drafting	\$580		\$580
Asbestos Analysis Regular Turnaround (50 Samples)		\$750	\$750
Lead Analysis Regular Turnaround (15 samples)		\$375	\$375
Administration	\$160		\$160
Disbursements		\$150	\$150
<b>PROJECT TOTAL (exclusive of Taxes)</b>			<b>\$5,865</b>

We have included for up to a maximum of 50 asbestos and 15 lead bulk sample analyses in the above cost. However, the actual number of samples collected and analyses required may vary based on the conditions observed at the Site. If additional samples are deemed to be required or analyzed, we would seek approval from JDDG prior to submitting them for laboratory analysis and adjust our fee accordingly. A unit rate for PLM asbestos bulk samples is \$15 per sample, and \$25 for bulk lead samples, based on a 5 day turnaround. Rush analysis on bulk samples is available for a 100% surcharge. Tape lift samples, for mould analysis, have not been provided in this cost proposal.

## 6.0 ADDITIONAL SERVICES

In addition to the provision of the above services, Golder is prepared to provide project specification documents for the purpose of tendering to contractors submitting quotes for demolition of the Site. Golder would provide these documents on a procedure-by-procedure basis, as required based upon survey findings. Each section of the specification would detail the specific procedures and related materials required to execute the work and meet the requirements prescribed under applicable regulations. Each work procedure would be provided at a lump sum cost of \$650.00 each, excluding taxes.

## 7.0 ASSUMPTIONS

The proposed cost is based on the following assumptions:

- JDDG to arrange for Golder personnel to have clear site entry with the appropriate security services;
- Golder plans to conduct the assessment during normal business hours;
- Golder will be informed of any Site specific health and safety hazards and unsafe Site conditions;
- All areas requiring investigation can be reached with a standard 6 foot ladder. Should a specialized ladder or lift be required, Golder will contact Golder Associates to discuss accessibility options for which additional fees may apply;
- Golder has not included for costs associated with accessing confined spaces should any be present at the Site buildings, or for return-trips to the Site to access areas deemed to be inaccessible at the time of the survey; and
- If actual Site conditions encountered are more extensive than assumed, based on the information previously provided, then Golder would first submit a revised cost of our fees, based on our 2012 preferred client rates, prior to completing the investigation.



Any additional work above and beyond the Scope of Work outlined in this proposal shall be completed on a "time and materials" basis at Golder's per diem rates.

## 8.0 CLOSURE

Our Environmental Health and Safety General Terms and Conditions (Revised Dec., 2005) are attached and form part of this proposal. If you would like Golder Associates Ltd. to proceed with this assignment, please sign the Authorization to Proceed form and return the signed copy to our office (by fax or email) as our authorization to proceed. By signing and faxing a copy of the Authorization to Proceed back to us, you are acknowledging that you have read, understand and accept each of these General Terms and Conditions.

We look forward to working with you on this project. If you have any questions or require additional information, please contact the undersigned at (905) 567-4444. Thank you for considering the services of Golder on this project.

Sincerely,

GOLDER ASSOCIATES LTD.

Garry McEnhill, Dipl. (Civ. Eng)  
GTA EHS Manager  
Environmental Health & Safety Group

GM/JH/RS:pb

Robert Stoyanoff, BTech MBA CChem CIH  
Senior Industrial Hygienist  
Environmental Health & Safety Group

Attachments: Environmental Health and Safety General Terms and Conditions (Revised Dec., 2005)  
Authorization to Proceed

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## ENVIRONMENTAL HEALTH & SAFETY SERVICES GENERAL TERMS AND CONDITIONS

Revised Dec., 2005

Golder Associates Ltd. (Golder) and the Client (as described in the attached Proposal) agree that any professional services, including subsequent changes and services (collectively the Services) to be provided by Golder relating to the Proposal will be on the following Terms and Conditions (collectively the Agreement):

1. Standard of Care – Services performed by Golder will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the engineering and science professions currently practicing under similar conditions in the same locality, subject to the time limits and physical constraints applicable to the Services. No warranty, express or implied, is made. The Client understands that in the normal course of work some damage may occur to various building materials and/or finishes, the restoration of which is not part of this Agreement.
2. Site Data and Information – Client shall obtain all necessary permits and licenses and provide right of entry for Golder and its subcontractors to carry out the Services. Client shall provide to Golder a copy of any reports, data, studies, plans, specifications, documents and other information which are in Client's possession or control and are relevant to any services under any Work Order. Golder shall be entitled to rely upon the reports, data, studies, plans, specifications and documents and other information provided by Client or others in performing services and, Golder assumes no responsibility or liability for the accuracy or completeness of such. Client waives any claim against Golder, and agrees to defend, indemnify and hold Golder harmless from any claim or liability for injury or loss allegedly arising from errors, omissions, or inaccuracies in reports, data, studies, plans, specifications, documents or other information provided to Golder by Client or others. Golder will not be responsible for any interpretations or recommendations generated or made by others, which are based, whole or in part, on Golder's data interpretations or recommendations.
3. Safety – Golder shall be responsible only for its activities and that of its employees and nothing shall imply that Golder has any responsibility for job site safety, which is the responsibility of Client or its contractors.
4. Payment – Golder will submit monthly invoices to Client and a final bill upon completion of Services. Client shall notify Golder within ten (10) days of receipt of invoice of any dispute with the invoice, and the parties will promptly resolve any disputed items. Payment on undisputed invoice amounts is due upon receipt of invoice by client and is past due thirty (30) days from the date of the invoice. Client agrees to pay a finance charge of one and one-half percent (1½%) per month on past due accounts and any legal or other collection costs incurred by Golder in pursuit of past due payments. If payment remains past due sixty (60) days from the date of the invoice, then Golder shall have the right to suspend all work under this Agreement, without prejudice.
5. Changes – Client and Golder recognize that it may be necessary to modify the scope of Services, the schedule and/or the cost estimate proposed in this Agreement. Such changes shall change the scope of Services, schedule, and/or the cost, as may be equitable under the circumstances.
6. Insurance – Golder carries and shall maintain: workers' compensation insurance to statutory required amounts; commercial general liability coverage in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate; professional liability coverage in the amount of \$1,000,000 per any one claim and \$3,000,000 in the aggregate; and automobile insurance in the amount of \$2,000,000. Certificates for such policies of insurance shall be provided to the Client upon request.
7. Limitation of Liability – Client agrees to limit the liability of Golder, its employees, officers, directors, agents, consultants and subcontractors to matters which arise directly from Golder's acts, errors or omissions and such that the total aggregate liability of Golder shall not exceed the greater of \$50,000 (fifty thousand) or Golder's total fee for the Services. Any liability of Golder shall expire one year after substantial completion of the Services. Neither party shall be responsible for lost revenue, lost profits, cost of capital, claims of customers, or other special, indirect, consequential or punitive damages.
8. Mutual Indemnity – Golder agrees to indemnify and save harmless the Client, its officers, directors, employees, subcontractors, and agents from and against all claims, damages, losses and expenses (including but not limited to legal fees) arising from personal injury, death, or damage to third-party property to the extent arising from negligent acts, errors and omissions of Golder. Client agrees to indemnify, defend and save harmless Golder and its officers, directors, employees, subcontractors, and agents from and against all claims, damages, losses and expenses (including but not limited to legal fees) arising out of or resulting from the Services or work of Golder, including but not limited to, claims made by third parties or any claims against Golder arising from the acts, errors, or omissions of Client or others. To the fullest extent permitted by law, such indemnification shall apply regardless of breach of contract or strict liability of Golder. Such indemnity shall not apply to the extent that Golder is finally determined to be negligent.
9. Identification of Risks – The Client recognizes that Golder is committed to providing environmental monitoring services; however failure to detect certain conditions is an inherent limitation of this specific type of work. The heterogeneous nature of mixtures, manufacture variances, and laboratory detection limitations that Golder interprets to exist may differ from those that actually exist. Golder has made no recommendations recognizing these limitations. The Client agrees to indemnify, defend and save harmless Golder, its officers, directors, employees, subcontractors, and agents from and against all claims, damages, losses and expenses (including but not limited to legal fees) arising from failure as a result of this inherently limited information.
10. Building Assessments – Golder's survey reports present professional opinions and findings of a scientific and technical nature. While attempts have been made to relate the data and findings to applicable health, safety or environmental laws and regulations, the report shall not be construed to offer legal opinion, advice or representations as to the requirements of, or compliance with environmental laws, rules, regulations or policies of federal, provincial or local government agencies.
11. Ownership and Use of Instruments of Service – All reports, plans, data, notes, drawings, and other documents prepared by Golder are considered its professional work product and shall remain the copyright property of Golder. The Services and documents provided by Golder are intended for one time use only. At the request and expense of Client, Golder shall provide the client with copies of such documents. Client acknowledges that electronic media are susceptible to unauthorized modification, deterioration and incompatibility and therefore Client cannot rely upon the electronic media version.
12. Samples and Analysis – Unless requested in writing by Client, samples will be disposed immediately following analysis. Samples not submitted for analysis will be disposed of within 30 days of collection by Golder. Golder will make reasonable efforts to submit samples to an accredited, independent laboratory for analysis. Golder is not responsible for the laboratory quality control/quality assurance programs, and makes no warranty of the precision or accuracy of results reported by others. Building materials, surfaces and other media may be inconsistent (non-homogeneous) in concentration of hazardous or regulated materials, and the reported results may vary. The potential for false-negative results exists and is not warranted by Golder. In some cases, circumstances (location, schedule, turnaround time, budget etc.) may require the use of direct reading instruments, Golder's in-house laboratory (if local), or other non-accredited facilities. For NIOSH 7400 air samples, all analysis will be conducted by Golder technicians at the Client site or within one of Golder's facilities. In this capacity, Golder participates in the applicable CAEL accreditation program. Golder is not responsible for samples lost or damaged in shipping or transfer, or the time and expense associated with subsequent collection of samples that were lost, damaged, or spoiled by others.
13. Mould – Client acknowledges that fungi and bacteria, including mould and spores, are ubiquitous within the environment, and the absence of any reported visible growth should not be considered a guarantee that materials are fungi or bacteria free. Given the right conditions, mould may grow or re-grow on building materials or furnishings following any assessment or remediation activities.
14. Delays – If site conditions prevent or inhibit performance of Services or if unrevealed hazardous waste materials or conditions are encountered, Services under this Agreement may be delayed. Client shall not hold Golder responsible for damages or delays in performance caused by any such delays, or delays caused by Client, its subcontractors, acts of God, acts and/or omissions of governmental authorities and regulatory agencies or other events which are beyond the reasonable control of Golder. Delays in excess of thirty (30) days shall, at the option of Golder, make this Agreement subject to termination or to renegotiation.
15. Litigation – The Client shall reimburse Golder for all direct expenses and time in connection with any disputes, litigation or arbitration involving representatives or documents of Golder arising out of the Services in accordance with Golder's then prevailing Schedule of Fees.
16. Property Transactions – In connection with any contemplated or actual purchase or sale of property related to the Services, Golder will not be responsible for the independent conclusions, interpretations, interpolations and/or decisions of the Client or others arising out of data which is directly the product of Golder's Services.
17. Miscellaneous – a) This Agreement supersedes all other agreements, oral or written, and contains the entire agreement of the parties concerning its subject matter. No cancellation, modification, amendment, deletion, addition, waiver or other change in this Agreement shall have effect unless specifically set forth in writing signed by the party to be bound thereby. Titles in this Agreement are for convenience only; b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns provided that it may not be assigned by either party without consent of the other; c) All representations and obligations (including without limitation the obligations of Client to indemnify Golder and the Limitation of Liability) shall survive indefinitely the termination of the Agreement; d) Any provision, to the extent it is found to be, unlawful or unenforceable shall be stricken without affecting the remainder any other provisions of this Agreement; e) All questions concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder shall be governed by the laws of the Province of Ontario. NOTE: The Client acknowledges and agrees that if it accepts the Proposal, or Golder performs the Services contemplated therein, then the above General Terms and Conditions and the Proposal shall constitute a binding Agreement for the sole benefit of the Client and Golder, and that no third-party beneficiaries are created by this Agreement.

**AUTHORIZATION TO PROCEED MEMORANDUM**

TO: Mr. Garry McEnhill DATE:  
FAX: 905-567-6561 PROPOSAL NO.: P2-1187-0337  
FR: Mr. Hao Zhang  
RE: PROPOSAL TO CONDUCT A PRE-DEMOLITION DESIGNATED SUBSTANCE SURVEY OF SELECT TOWN HOMES LOCATED AT 256 PHILLIP STREET, WATERLOO, ONTARIO

By signing below, you authorize us to proceed with the work as outlined in the proposal specified above and in accordance with our General Terms and Conditions, which includes terms relating to payment, limitation of liability, insurance and indemnity, among many other important provisions.

If you have any special billing requirements, please provide that information below:

## AUTHORIZATION TO PROCEED

Yueging Zhang

Name (Please Print)

Signature

**Title**

Nov. 23, 2012

Date

Purchase Order No. Required (if yes, please provide):

**Special Billing Instructions:**

**Report to be Addressed To:**

3601 Highway 7 East, Suite 610  
Markham, ON. L3R 0M3

c.c. Correspondence:

Central Fax back Number: 905-567-6561

Email:gmcenhill@golder.com



# MCKNIGHT • CHARRON • LAURIN INC. ARCHITECTS

Tel: 705-722-6739  
Fax: 705-726-5418  
[www.MCLarchitects.ca](http://www.MCLarchitects.ca)

67 High Street  
Barrie, Ontario  
L4N 1W5

21 September 2012 (Revised 5 Oct. 2012)(Revised 11 Oct. 2012 - *in italics*)  
REVISED 18 DEC. 2012

Julia Zhang & Jennifer Xu  
JD Development Canada Corp.  
3601 Highway 7 East,  
Suite 903  
L3R 0M3 Markham ON

Re: Proposed Four Building Development of Student Residence Towers  
on Philip Street, Waterloo ( 451 units) plus ground floor commercial space (base building)  
along Philip Street on the first level of the two Philip Street Towers

Dear Julia and Jennifer:

*Further to my meeting yesterday at your office I have revised this letter.*

Further to my meeting with Jennifer, Hao and John at JD office on Wed Sept 26<sup>th</sup>, I am updating our claim for additional fees for additional services for Phillip Street. I appreciate the time spent discussing our fees for extra work and also the fact that JD will compensate fairly for additional work.

As requested by Jennifer, I have not differentiated between the five building option (for Site Plan Application) and the four building option (Site Plan Amendment), but rather, just listed the additional work and associated additional architectural fees.

Please keep in mind that, although the additional fees shown are for architectural work only, they include the necessary work involved with co-ordinating the other consultants' changes.

Our original architectural fee of \$690,000.00 is less than one half of a percent of the estimated construction cost. This was based on the information I was given at the time; that the unit floor plans were to be the same as those from King St. Regina St.

## ADDITIONAL WORK & RELATED COST

Additional work already completed is highlighted in yellow.

Additional work yet to be completed or underway is highlighted in red.

1. On 31 January 2011 our first fee proposal, which was accepted by JD, was for four high-rise buildings. By switching to five buildings instead of four our work was substantially increased. This would translate into a fee increase of \$125,000.00 (\$690,000.00 x 25%) but for which we have agreed not to charge extra.
2. We stated that our fee included the cost of a (one) computer generated rendering. For the original SPA process we made four separate submissions each with several 3D renderings. \$28,000.00 (Our costs for this work, with no mark-up or time for co-ordination or design input, was over \$30,000.00.) In order to convince the City that the design was excellent and in compliance with the spirit of the Urban Design Guidelines, it was necessary to create several 3D perspective views of the project, including courtyard views and long-distance neighbourhood context views.

3. The original fee was based on the fact that "the design of the living units will be the same as the design of the units on the King and Regina Street projects". In fact, the 5 bedroom unit design changed dramatically as Mr. Zhou asked us to increase the sizes of the typical bedrooms and we also rationalized the structural walls to lessen construction costs for a different structural system.

We later reduced the size of the typical bedrooms to less than King & Regina. \$15,000.00 design work and estimated \$50,000.00 additional working drawing labour (we cannot re-use large portions of King and Regina construction drawings. This extra work was originally factored in to our \$690,000.00 fee).

For calculation purposes the Working Drawing portion of our work is typically 50% of our fee. This is an industry standard. We had planned to re-use at least 50% of our working drawings from King and Regina when doing the Working drawing stage for Phillip Street. This translates to a \$345,000.00 re-use efficiency which our office planned to utilize when we quoted the project. Please keep this figure in mind when reviewing the actual extras we are asking for.

4. JD asked us to significantly enhance the look and architectural style of the five Phillip Street buildings by using large amounts of Window Wall and incorporating a "modern look". This change was included in the second SPA submission. \$50,000.00 additional work for new concept and design development. (The industry standard for Concept Design is 12 ½% of the fee and for Design Development is another 12 ½% of the fee. This translates to 25% of \$690,000.00 = \$172,500.00) So \$50K represents a 29% revision of the Concept Design/Design Development stages of the design, which is more than fair. **NOT ACCEPTED BY JD.**
5. There were a total of four SPA submissions to the City for the five-building option. This required many extra meetings and drawing changes. \$20,000.00 additional work. (This represents less than 50 total hours of work for each of the three extra SPA submissions for principals of our firm (at \$140/hr.) **NOT ACCEPTED BY JD.**
6. The Site Plan Amendment portion of the work involved the design & revision of the site plan from five buildings to four buildings, attending meetings and co-ordinating with other consultants. \$30,000.00 additional work including parking lot and underground parking design. (Less than 5% of the original fee for this major revision.)
7. The Site Plan Amendment portion of the work also involved changing the design of the typical floor plans and unit mix to 3, 4 & 5 bedroom units plus re-design of exit stairs, ground floor plans and basement plans. \$20,000.00 extra work at concept design stage and design development stage.
8. The Site Plan Amendment portion of the work also required re-design of site plan to accommodate changed footprint of all buildings. Many hours of co-ordination with the other consultants were needed. \$15,000.00
9. Revise structural system to all pre-cast concrete elements and revise working drawings to 3,4 & 5 bedroom unit layout. This affects all aspect of the working drawings and specifications, including typical unit layouts, washrooms, window types, door & finish schedules etc. \$103,500.00 additional work including co-ordination with engineering consultants. (\$690,000.00 x 50% WD x 30% additional work) **NOT ACCEPTED BY JD.**

Sub-total: Additional work already completed:

Item #2 \$ 28,000.00
Item #3 \$ 15,000.00
Item #4 \$ ----
Item #5 \$ ----
Item #6 \$ 30,000.00
Item #7 \$ 20,000.00
Item #8 \$ 15,000.00
<b>\$108,000.00</b>

Sub-total: Additional work yet to be completed or underway:

Item #3 \$ 50,000.00
Item #9 \$----
<b>\$50,000.00</b>

The breakdown of revised fees which includes the above would be as follows, using the initial fee as a basis:

Conceptual Design completed:	12.5% of \$690,000.00	x 100% complete	=	\$ 82,250.00
Design Development completed:	12.5% of \$690,000.00	x 50% complete	=	\$ 43,125.00
Additional Work Already completed: (figure from above)				<u>\$108,000.00</u>
Total work already completed:				\$233,375.00

Design Development to be completed:	12.5% of \$690,000.00	x 50% complete	=	\$ 43,125.00
Working Drawings: 50% of \$690,000.00=	345,000.00 + \$50,000.00 (from above)		=	\$395,000.00
Tender assistance:	5% of \$690,000.00		=	\$ 34,500.00
Contract Administration:	20% of \$690,000.00		=	\$129,000.00
Additional Contract Admin. due to 2 stages (assuming 24 mos. vs 18 mos.)			=	\$ 45,000.00
Total work yet to be completed or underway:				\$646,625.00

Total revised contract amount: \$233,375.00 + \$646,625.00 = \$880,000.00

Our original fee was based on the fact that Construction Management was to be the method of delivery for the building construction. Discussions with JD have gone back and forth as to whether this will still be the case, or whether there will a Design/Bid/Build system in place to deliver the building. It is necessary that the project be constructed by an experienced contractor and that only one contractor build both phases, if they are to be built concurrently.

Moving forward, we will invoice monthly and will send our next invoice near the end of October which will include work now underway as well as newly completed work.

Please call if you have any questions.

Regards,



Michael McKnight, B. Arch. OAA

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7

Street Smart. World Wise.



May 27, 2013

Our Ref: P3597

JD Development Group  
3601 Highway 7 East, Suite 610  
Markham, Ontario,  
L3R 0M3

by email: [Jennifer.Xu@jdevelopment.ca](mailto:Jennifer.Xu@jdevelopment.ca)

Attention: Jennifer Xu, PMP, LEED AP BD+C – Project Director

**Re: Phillip St. Student Residence Project – Towers A and C**

Further to our recent correspondence we are pleased to provide a proposal for Cost Estimating services for the proposed Phillip St. Student Residence Project – Towers A and C, in Waterloo.

We understand the entire project contains four towers: Tower A & B – 20 Stories in the front (along Phillip Street) and Tower C & D – 21 Stories along the rear of the property. This proposal is for Towers A and C only.

Tower A is at tender stage and a substantial amount of work has already been tendered. The following fees assume that Altus will be provided with the tender packages and bid results for the major trades (including demolition, excavations, concrete and rebar, formwork, structural steel, mechanical, electrical, elevators, windows, precast, drywall) from tender packages 1 to 3. Our fees assume a review of the documentation and bids received for completeness and we will estimate the trade work not tendered.

Tower C is currently at Permit drawings stage with no work tendered. Our fees assume a full take-off and pricing for Tower C. Fees for soft costs for Tower C assume we have already undertaken the estimate of soft costs on Tower A.

Service	Estimates Fees
Tower A – Construction Cost Estimate/Review of Tenders	\$6,000.00 - \$7,500.00
Tower A – Soft Costs Estimate	\$3,500.00 → Capped
Tower C – Construction Cost Estimate based on 90% complete or tender stage drawings	\$10,000.00 - \$12,000.00
Tower C – Soft Costs Estimate	\$2,500.00 → Capped

The above fee includes one meeting or conference call per estimate. Please note the above fees do not include disbursements or HST. Additional services such as value management, estimate reconciliations, negotiations with the contractor or meetings would be charged at our normal hourly rates.

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We confirm the hourly rates for additional services and meetings as shown below.

We value our ongoing relationship with JD Developments and have discounted our regular hourly rates in support of our commitment to making this project a success.

*Please note that the following hourly rates exclude expenses, disbursements and HST.*

Service	Hourly Rates	Discounted Hourly Rates
Senior Director	\$290.00	\$245.00
Director	\$250.00	\$215.00
Senior Cost Consultant	\$195.00	\$160.00
Cost Consultant	\$165.00	\$140.00
Analyst	\$105.00	\$100.00

We are also proposing a daily rate for Mr. Kon Ho to provide assistance to JD in negotiations with the contractor, sub-contractors and such other services as may be requested. The daily rate we propose is:

- \$1,150.00 - daily rate (*based on 8 hours*)

The daily rate would apply if the work is of a continuous nature on any particular day for additional services and meetings.

We trust that this is acceptable. Should you require any further information please contact me directly at 416.641.9739 or [robert.poole@altusgroup.com](mailto:robert.poole@altusgroup.com)

Yours truly,

ALTUS GROUP LIMITED

A handwritten signature in black ink that reads "Robert C. Poole".

Per: Robert Poole B.Sc., MRICS, PQS - Director, Altus Group

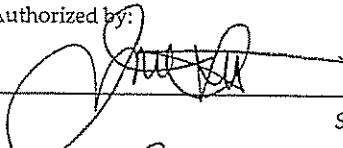
cc: Stuart Wilson - Senior Director, Altus Group Limited  
Kon Ho - Senior Cost Consultant, Altus Group Limited

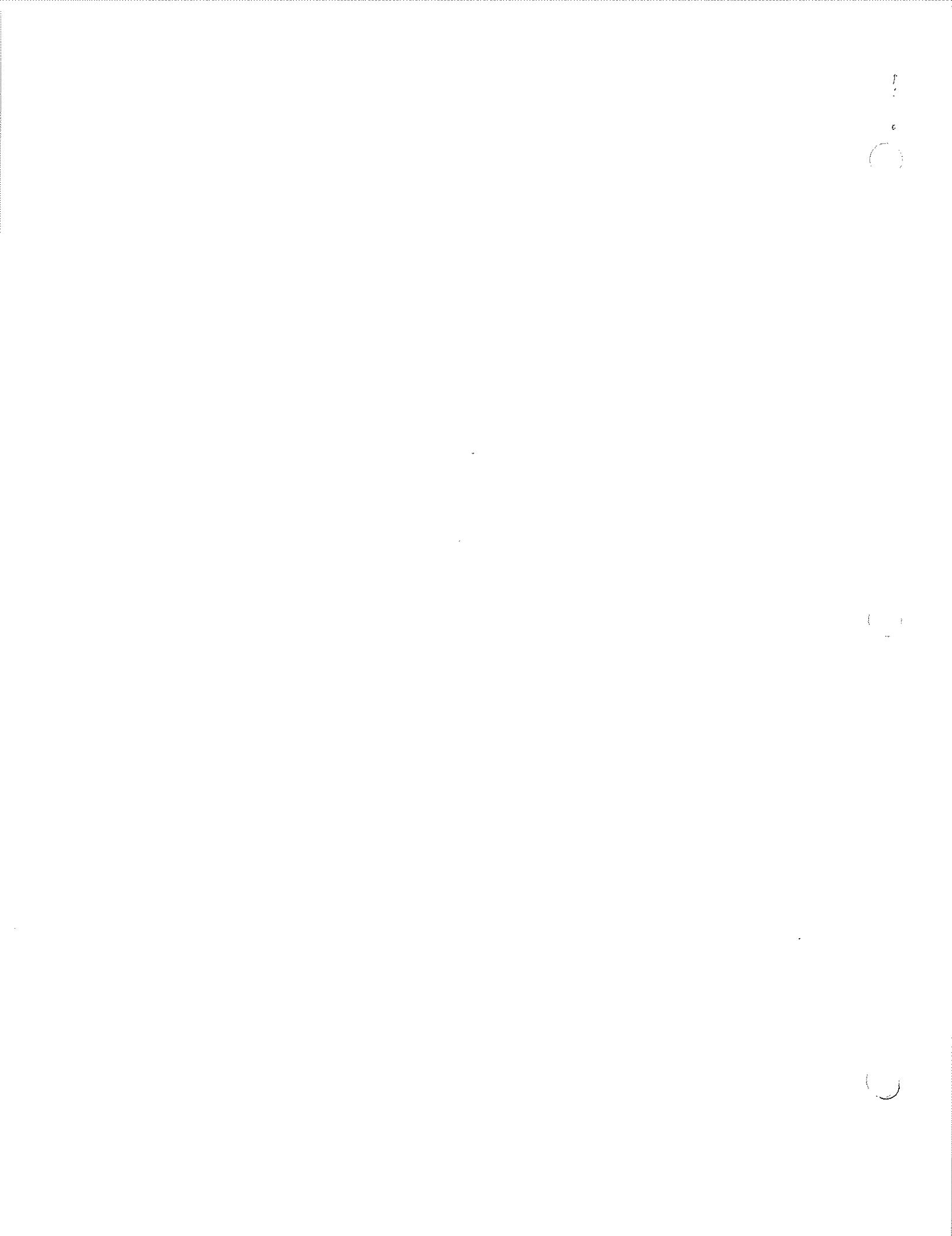
Street Smart. World Wise.



Acceptance of Proposal

Please review this document to ensure that you are in agreement with the items included. If you are aware of any other factors not contained in this letter that would affect this project, please make Altus Group Limited aware of them before signing.

Proposal Authorized by:	
	
	Signature
Name:	Jennifer Xu
Title:	Project Director
Date:	May 27, 2013





exp Services Inc.  
Unit #6 – 405 Maple Grove Road Street,  
Cambridge, Ontario N3E 1B6

Telephone: 519 650 4918  
Facsimile: 519 650 4603

## WORK AUTHORIZATION

Client Name: ("CLIENT")	JD Developments		
Address:	Suite #610 – 3601 Highway 7 East, Markham, Ontario		
Attention:	Ms. Jennifer Xu		
Contact Email:	Jennifer.xu@jddevelopments.ca	Client ID Number:	
Contact Phone:	(***) ***-****	Contact Fax:	(***) ***-****
exp Services Inc. ("CONSULTANT") is authorized to provide services at:			
Project Name:	Tower A Student Residences – Field Review & Testing Services		
Project Location:	256 Phillip Street, Waterloo		
The services to be performed are limited to:			
Project Manager:	Gordon J. Dowling		
Charges for the services: As per scope and proposal dated September 4 <sup>th</sup> , 2013 (\$43,295.00 + HST)			
Report Distribution:	JD Developments		
Please return one signed copy of this work authorization as confirmation of your requirement and as your authorization for exp Services Inc. to proceed.			
<b>TERMS AND CONDITIONS</b>			
Services to be provided in accordance with the Terms and Conditions and Proposal attached.			
EXP SERVICES INC.		[JD Developments]	
Signature:			
Gordon J. Dowling, Engineering Technologist Project Manager			
Print Name:			
James Lischkoff, P. Eng. Senior Project Manager	Jennifer Xu		
Project No.:	999-25000832-PP		
Date:	September 13 <sup>th</sup> , 2013		
Date:	Sept 16, 2013		

All invoices are payable upon receipt. Interest will be charged at 1.5% per month (18% per annum) on any balance after 30 days.

The CLIENT acknowledges and agrees that exp Services Inc. may, at its sole discretion, hold back issuance of final reports and Certification of Completion Letters (including Schedule C's) until payment of all past due amounts has been received by exp Services Inc..



## TERMS AND CONDITIONS

1. **AUTHORIZATION TO PROCEED.** The signing of this Agreement by the CLIENT and CONSULTANT will serve as written authorization for CONSULTANT to proceed with the services called for in this Agreement.
2. **EXTENT OF AGREEMENT.** This Agreement, including attachments incorporated herein by reference, represents the entire agreement between CONSULTANT and CLIENT and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be altered only by written instrument signed by authorized representatives of both CLIENT and CONSULTANT.
3. **CHANGES.** Work beyond the scope of Services or redoing any part of the Services through no fault of CONSULTANT, shall constitute extra work and shall be paid for on a time and material basis in addition to any other payment provided for in this Agreement. In the event, CONSULTANT's work is interrupted due to delays other than delays caused by CONSULTANT, CONSULTANT shall be compensated based on CONSULTANT's current Fee Schedule for the additional labour or other charges associated with maintaining its work force for CLIENT's benefit during the delay, or at the option of the CLIENT, for charges incurred by CONSULTANT for demobilization and subsequent remobilization. If, during the course of performance of this agreement, conditions or circumstances are discovered which were not contemplated by CONSULTANT at the commencement of this Agreement, CONSULTANT shall notify CLIENT in writing of the newly discovered conditions or circumstances and the impact on the Agreement. CLIENT and CONSULTANT agree to negotiate in good faith any changes to the price, terms and conditions, or schedule of this Agreement. Written notice of changes will be provided by CONSULTANT to the CLIENT by Change Order for the CLIENT's approval.
4. **PAYMENT.** CONSULTANT shall invoice CLIENT periodically for the services performed under this Agreement. CLIENT shall pay such invoice upon receipt. Invoices not paid within thirty (30) days of the invoice date shall be subject to a late payment charge of 1.5% per month (18% per year) from the date of billing until paid. The invoice amounts shall be presumed to be correct unless CLIENT notifies CONSULTANT in writing within fourteen (14) days of receipt. Progress billings, when paid, represent acceptance by CLIENT of the invoiced services performed by CONSULTANT. The CLIENT agrees to pay legal fees and costs necessary to collect on past due accounts. If CLIENT fails to pay an invoice when due, CONSULTANT may suspend all services until such invoice is paid in full.
5. **PERMITS, UTILITIES AND ACCESS.** Unless otherwise provided, the CLIENT shall apply for and obtain all required permits and licenses. The CLIENT warrants that it has made all necessary arrangements for right to entry to provide CONSULTANT access to the site for all equipment and personnel at no charge to CONSULTANT. The CLIENT shall also provide CONSULTANT with the location of all underground utilities and structures in the vicinity of the work area, unless otherwise agreed in writing. While CONSULTANT will take all reasonable precautions to minimize any damage to the property, the CLIENT agrees to hold CONSULTANT harmless for any damages to any underground subsurface structures or any damage required for right of entry.
6. **COST ESTIMATES.** If CONSULTANT provides an estimate of probable costs or a budget for the Work that is developed by CONSULTANT during the performance of the Scope of Services, the CLIENT hereby acknowledges that neither CONSULTANT nor CLIENT has control over other professional fees, land development, or other costs related to the entire Project. Therefore CONSULTANT does not warrant or represent the Project costs will not vary from the Project Budget. Neither CONSULTANT nor the CLIENT has control over the cost of labour, materials or equipment, over the contractor's methods of determining bid prices, or over competitive bidding, market, or negotiating conditions. CONSULTANT therefore does not warrant or represent that bids or negotiated prices will not vary from the estimate of probable construction cost.
7. **DISPUTES.** Any dispute arising under this Agreement shall first be resolved by taking the following steps. A successive step shall be taken if the issue is not resolved at the preceding step: 1) by the technical and contractual personnel for each Party, 2) by executive management of each Party, 3) by mediation, 4) by arbitration if both Parties agree or 5) through the court system in the Province of Ontario. ,
8. **STANDARD OF CARE.** CONSULTANT shall perform its services in a manner consistent with the standard of care and skill ordinarily exercised by members of the profession practicing under similar conditions in the geographic vicinity and at the time the services are performed. This Agreement neither makes nor intends a warranty or guarantee, express or implied. !
9. **INDEMNITY.** Notwithstanding any other provision of this Agreement, the CLIENT agrees to indemnify, defend and hold harmless CONSULTANT, its officers, directors, employees and subconsultants (collectively "CONSULTANT") against all damages, liabilities or costs including reasonable legal fees and defense costs arising out of or in any way connected with this Project or the performance of the services under this Agreement, excepting those damages, liabilities or costs attributable to the negligent acts or omissions by CONSULTANT.

\*exp.

10. **LIMITATION OF LIABILITY.** Notwithstanding any other provision of this Agreement, the total liability of CONSULTANT, its officers, directors and employees, to the CLIENT and anyone claiming by or through the CLIENT, for any and all claims, losses, costs or damages from any cause in any way related to the project or the Agreement, shall not exceed the fees paid to the CONSULTANT. CONSULTANT shall not be liable for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or this Agreement.
11. **RESPONSIBILITY.** CONSULTANT is not responsible for the completion or quality of work that is dependent upon information provided by or services performed by the CLIENT or third parties not under the direct control of CONSULTANT. CONSULTANT is not responsible for the acts or omissions or for any damages resulting from the actions of such parties. CONSULTANT does not assert control or assume responsibility for a Contractor not retained directly by CONSULTANT or over a CLIENT's employees, work site, work methods or property.
12. **OWNERSHIP AND CONFIDENTIALITY.** Unless otherwise agreed to by the parties in writing, all documents (including reports, drawings and specifications, and electronic or digital copies) required to be prepared by or on behalf of CONSULTANT in connection with the Services will become the property of the CLIENT upon full and final payment of the Compensation. The copyright and all intellectual property in the documents and designs shall be retained by CONSULTANT. CONSULTANT hereby grants to CLIENT a non-exclusive right and royalty-free license to use, disclose and reproduce the documents solely for the purpose of the project. CLIENT will not distribute or convey CONSULTANT's reports or recommendations to any person or organization other than those identified in the project description without CONSULTANT's written authorization. CLIENT releases CONSULTANT from liability and agrees to defend, indemnify, protect and hold harmless CONSULTANT from any and all claims, liability, damages or expenses arising, in whole or in part, from unauthorized use. Information provided by either party with respect to the project's design, supplies, management, costs, description or other pertinent information are confidential. The parties agree not to disclose such information to third parties unless necessary to the project's execution or already a matter of public knowledge.
13. **FIELD REPRESENTATION.** The presence of CONSULTANT's or its subcontractors' field personnel, may be required for the purpose of providing project administration, assessment, observation and/or field testing. Should a contractor(s) not retained by CONSULTANT be involved in the project, CLIENT will advise such contractor(s) that CONSULTANT's services do not include supervision or direction of the means, methods or actual work of the contractor(s), its employees or agents. CLIENT will also inform contractor that the presence of CONSULTANT's field representative for project administration, assessment, observation or testing, will not relieve the Contractor of its responsibilities for performing the work in accordance with applicable regulations, or in accordance with project plans and specifications. If a contractor is involved on the project, CLIENT agrees CONSULTANT shall not be responsible for working conditions on the job site including the safety and security of persons or property.
14. **ENVIRONMENTAL CONDITIONS.** CLIENT shall have responsibility and liability for the environmental conditions on the site. CLIENT shall be responsible for and promptly pay for the removal and lawful disposal of contaminants, hazardous materials, asbestos, samples and cuttings unless otherwise agreed in writing. The discovery of such conditions on the site shall result in the issuance of a Change Order to the extent that the services of CONSULTANT are impacted.
15. **TERMINATION.** This Agreement may be terminated by either party upon ten (10) days written notice to the other. In the event of termination, CLIENT shall pay for all charges for work performed and demobilization by CONSULTANT. The limitation of liability and indemnity obligations of this Agreement shall be binding notwithstanding any termination of this Agreement.
16. **SOLICITATION.** Neither Party will, directly or indirectly, for a period of two years from the expiration date of this Agreement, solicit for employment or any other engagement the services of any person who is now employed by the other Party or any affiliate, except in the course of general recruitment efforts.
17. **ASSIGNMENT.** Neither CLIENT nor CONSULTANT shall assign its interest in this Agreement without the written consent of the other.
18. **GOVERNING LAW.** This Agreement is governed by the laws of the Province of Ontario.

**Jennifer Xu**

---

**From:** Jennifer Xu  
**Sent:** September-13-13 4:19 PM  
**To:** 'James Lischkoff'  
**Cc:** Arnold Wan; Hao Zhang; Rebecca Walker; Gordon Dowling  
**Subject:** RE: Revised exp Proposal for 256 Philip Street

Thanks Jim!

Look forward to working with you as well!

We are trying to set up a meeting with you next week. Do you have any openings?

---

**From:** James Lischkoff [<mailto:james.lischkoff@exp.com>]  
**Sent:** September-13-13 12:08 PM  
**To:** Jennifer Xu  
**Cc:** Arnold Wan; Hao Zhang; Rebecca Walker; Gordon Dowling  
**Subject:** Re: Revised exp Proposal for 256 Philip Street

I am in agreement with your email. Email will be appended to the exp proposal. you will receive an authorization form from Gord Dowling in our Kitchner office. Sign authorization form and email back to Gord.

Jennifer, I look forward to working with you and your team.

Proposal Text

Proposal Budget

**Jennifer Xu**

---

**From:** Jennifer Xu  
**Sent:** September-12-13 11:26 AM  
**To:** 'James Lischkoff'  
**Cc:** Arnold Wan (Arnold.Wan@jddevelopment.ca); Hao Zhang  
**Subject:** RE: Revised exp Proposal for 256 Philip Street

Hi, Jim,

Thanks for taking the time to meet me last week. Sorry it took a little longer to get back to you.

Just a couple of things to re-cap our discussions,

1. With Stubbe being CSA certified, EXP will not require plant inspection.
2. In the event, two or more area inspections taking place on the same day, can we say 15% of discount can be applied? The related reports for the inspections are included in the set rates.

For Reporting... I know we talked about it the other day. The reporting quoted is primary for your involvement during the construction, right?

Thanks again for your co-operations!

*Jennifer Xu, PMP<sup>®</sup>, LEED AP BD+C*  
Project Director



3601 Highway 7 E, Suite 610  
Markham, Ontario, L3R 0M3  
Tel: 905-479-9898 Ext: 229  
Fax: 905-479-9890  
Cell: 647-824-5698  
Jennifer.xu@jddevelopment.ca

**CONFIDENTIALITY:** This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege.

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**From:** James Lischkoff [mailto:[james.lischkoff@exp.com](mailto:james.lischkoff@exp.com)]  
**Sent:** September-04-13 7:36 PM  
**To:** Jennifer Xu  
**Subject:** Revised exp Proposal for 256 Philip Street

Attached is the revised proposal for 256 Philip street based on your email dated September 3rd, 2013. I will be Waterloo for a big part of the day tomorrow. I will try to call you sometime in the morning. Probably between 10 and 11am.



September 4<sup>th</sup>, 2013

Ms. Jennifer Xu  
JD Developments.  
3601 Highway 7E, Suite 610,  
Markham, Ontario, L3R 0M3

Re: Proposal **REVISED** No. 999-0025000813-PP  
Proposal for Field review & Testing Services for 256  
Philip Street Tower A, Student Residences in Waterloo, ON

Dear Ms. Xu:

I have revised the proposal as per your email. Note the following.

Our proposed budget is based on the information provided on the architectural drawing numbers A1.1 – A6.8 dated August 09<sup>th</sup>, 2013. Should actual conditions vary from this information; a change in the proposed scope of work will be necessitated. **AND is based on your email dated September 3rd, 2013.**

1. Our budget proposal (Schedule A) includes all fees, expenses and disbursements for the building science field review, testing and reporting.
2. Additional charges for Pro-Demnity effort and for building envelope design review effort may apply. I have estimated the amount of my time which may be required. I don't know in the end what the actual effort will be. It will depend upon Pro-Demnity's behaviour.
3. Our field visits contain reporting costs. There is a separate category (items 12.0, 12.1 & 12.2) for reporting which should be considered a contingency for my work.
4. We can easily combine several visits into one trip to save some (but not all) costs if construction schedule allows. We still issue separate reports for each type of inspection.





5. The number of required visits has been estimated. The actual number may vary. However, if one category appears to be problem free, we will reduce the number of budgeted visits and provide extra visits in more problematic areas. The final required number of visits will depend upon how well your trades and site super perform. If all goes well we can do less or if there are a lot of problems more visits may be required than budgeted.
6. Environmental, geotechnical, concrete, architectural and structural, design and field review are not included. We understand that these services will be provided by other consultants. Note that exp does not confirm the accuracy of the information within other consultants' reports. Should JD Developments, require such confirmation and review of these other reports; exp can undertake such a review for additional fees.
7. In regards to design review, the sole focus of exp's design review is on water resistance effectiveness of the exterior wall assembly, waterproofing and roofing details as required by Part 5 of the Ontario Building Code. Where precast is the primary building envelope component, as is the case here, the choice of sealant materials and workmanship is of paramount importance.
8. In particular, exp provides no review of the structural design or review of any aspect related to Part 3 (fire and life safety). We understand that specialist consultants have been retained by JD Developments, for this purpose.
9. In regards to the field review, exp is only undertaking the field review and testing specifically identified in Schedule A. The field review and testing is being conducted through a number of periodic visits, based on various areas of construction. Furthermore, exp will require JD Developments, to notify exp when these services are required. Exp is not reviewing every area of construction and deficiencies may exist without exp's knowledge. Exp will not be responsible for identifying deficiencies in areas not reviewed by us, JD

Developments should review carefully the number of field review visits proposed by exp and indicate if more are required.

10. Prior to finalizing the enclosed budget, careful review of the information presented in Schedule A is necessary, so that any addition alteration could be made regarding the number of reviews.





11. The proposed budget does not include:

- Repetition of window field tests when previously conducted tests result in failure ratings.
- Additional field visits over and above those included in the proposal budget.
- Concrete cylinder casting and testing.
- Testing of building materials' and components' thickness, finishes, paints, etc. to confirm compliance with the project specifications, other than that specified in Schedule A is not included. If JD Developments. requests, exp would be pleased to undertake additional such testing for additional fees.

12. It is the responsibility of the JD Developments. or his representative to call exp to the site to carry out field observations. exp will not visit the site unless called, it should also be noted that the estimated total cost is for budgeting purposes only, the actual cost will be based on the number of visits/tests requested for each item or required on site, also if any extra visits are required other than budgeted, those will be charged as extra at the same unit rate.

We trust that our proposal is appropriate. Please do not hesitate to contact us for any required clarification and or discussion.

Sincerely,

A handwritten signature in black ink, appearing to read "James Lischkoff".

Gordon J. Dowling  
Eng. Technologist, Project Manager  
Building Engineering Team (BET)

James Lischkoff, P.Eng.  
Senior Vice President  
Building Engineering Team (BET)



SCHEDULE A  
BUDGET

Project Name: 256 Philip Street  
Project Number:

JD Developments

**SCOPE OF WORK**

Bulletin 19 Risk Areas	Units	Rates	Total
<b>Design Review &amp; Testing</b>			
1.0 Building Envelope Review	14 Hrs	\$250	\$3,500
1.1 Design Review Meeting	0 Hrs	\$0	\$0
1.2 1 <sup>st</sup> Window Shop Drwg Review	8	\$250	\$2,000
1.3 Cement board Shop Drwg Rev	6 hrs	\$250	\$1,500
1.4 Caulking Specs	0 hrs	\$0	\$0
1.5 Fire Stopping Document Review	0 hrs	\$0	\$0
1.6 Window Water Test	1 Test(s)	\$1,600	\$1,600
1.7 Window/Wall Water Test	1 Test(s)	\$3,200	\$3,200
1.8 Balcony Door Water Test	0 Test(s)	\$0	\$0
1.9 Balcony Railing Test	0 Test(s)	\$0	\$0
1.10 Pro-Demnity Meetings	10 Hrs	\$250	\$2,500
1.11			
1.12			
<b>DESIGN REVIEW &amp; TESTING SUB TOTAL</b>			
			\$14,300

INVOICING		#	\$	#	\$
Previously Invoiced	THIS INVOICE				
0 Hrs	0 Hrs	\$0	14 Hrs	\$3,500	
0 Hrs	0 Hrs	\$0	0 Hrs	\$0	
0 Hrs	0 Hrs	\$0	8 Hrs	\$2,000	
0 Hrs	0 Hrs	\$0	6 Hrs	\$1,500	
0 Hrs	0 Hrs	\$0	0 Hrs	\$0	
0 Hrs	0 Hrs	\$0	0 Hrs	\$0	
0 Test(s)	0 Test(s)	\$0	1 Test(s)	\$1,600	
0 Test(s)	0 Test(s)	\$0	1 Test(s)	\$3,200	
0 Test(s)	0 Test(s)	\$0	0 Test(s)	\$0	
0 Test(s)	0 Test(s)	\$0	0 Test(s)	\$0	
0 Hrs	0 Hrs	\$0	10 Hrs	\$2,500	
		\$0			\$14,300

**FIELD REVIEWS**

Below Grade Foundation			
2.0 Earth Bearing	0 hrs	\$0	\$0
2.1 Substructure	0 Visits	\$0	\$0
2.2 Drainage Systems	3 Visits	\$170	\$510
2.3 Dampproofing/Waterproofing	0 Visits	\$0	\$0
2.4 Insulation	0 Visits	\$0	\$0
2.5 Elevator Sump Pits	1 Visits	\$170	\$170
2.6			

0 Hrs	0 Hrs	\$0	0 Hrs	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	3 Visits	\$510
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	1 Visits	\$170

**BELOW GRADE SUB TOTAL**

\$680

\$0

\$680

SCHEDULE A  
BUDGET

Project Name: 256 Philip Street  
Project Number:

JD Developments

**SCOPE OF WORK**

Bulletin 19 Risk Areas	Units	Rates	Total
<b>FIELD REVIEWS</b>			
Structure			
3.1 Slabs, decks, columns, walls	0 Visits	\$0	\$0
3.2 Expansion Joints	0 Visits	\$0	\$0
3.3 Parking Garage Slopes	0 Visits	\$0	\$0
3.4 Traffic Topping	0 Visits	\$0	\$0
3.5 Garage Deck Waterproofing	4 Visits	\$170	\$680
3.6 Balcony Waterproofing	0 Visits	\$0	0 hrs
3.7 Balcony Guards	0 Visits	\$0	\$0
3.8			
<b>STRUCTURE SUB-TOTAL</b>			\$680
<b>FIELD REVIEWS</b>			
Building Envelope			
4.0 Back Up Wall	0 Visits	\$0	\$0
4.1 Masonry Veneer	0 Visits	\$0	\$0
4.2 Precast Plant	1 Visits	\$1,200	\$1,200
4.3 Precast Connections	8 Visits	\$595	\$4,760
4.4 Cast in Place Concrete	0 Visits	\$0	\$0
4.5 Cement Panels	4 Visits	\$4	\$495
4.6 EIFS Plant	0 Visits	\$0	\$0
4.7 EIFS in Field	0 Visits	\$0	\$0
4.8 Load Bearing Masonry	0 Visits	\$0	\$0
4.9 Curtain Wall Amenity Area	2 Visits	\$495	\$990
4.10 Curtain Wall in Field	0 Visits	\$0	\$0
4.11 Aluminum Panels	0 Visits	\$0	\$0
4.12 Flashings, end dams	8 Visits	\$170	\$1,360

<b>INVOICING</b>					
Previously Invoiced	THIS INVOICE	#	\$	#	\$
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	4 Visits	\$680	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
<b>STRUCTURE SUB-TOTAL</b>			\$0		\$680
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	1 Visits	\$1,200	
0 Visits	0 Visits	\$0	8 Visits	\$4,760	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	4 Visits	\$16	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	2 Visits	\$990	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	8 Visits	\$1,360	
		\$0	0 Visits	\$0	

SCHEDULE A  
BUDGET

Project Name: 256 Philip Street  
Project Number:

JD Developments

**SCOPE OF WORK**

Bulletin 19 Risk Areas	Units	Rates	Total
4.13 External Sealants	9 Visits	\$170	\$1,530
4.14 Window Plant Visits	1 Visits	\$800	\$800
4.15 Architectural Coatings, Paints	0 Visits	\$0	\$0
4.16 Windows, Balcony Doors	10 Visits	\$250	\$2,500
4.17 Glazing Sealants	0 Visits	\$0	\$0
4.18 Insulation & Vapor Barriers	10 Visits	\$170	\$1,700
4.19 Air Barrier	10 Visits	\$170	\$1,700
4.20 Foam, demising walls, windows	10 Visits	\$170	\$1,700

**BUILDING ENVELOPE SUB-TOTAL**      173 Visits      \$18,735

INVOICING		THIS INVOICE		Remaining	
Previously Invoiced	#	\$	#	\$	
0 Visits	0 Visits	\$0	9 Visits	\$1,530	
0 Visits	0 Visits	\$0	1 Visits	\$800	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	10 Visits	\$2,500	
0 Visits	0 Visits	\$0	0 Visits	\$0	
0 Visits	0 Visits	\$0	10 Visits	\$1,700	
0 Visits	0 Visits	\$0	10 Visits	\$1,700	
0 Visits	0 Visits	\$0	10 Visits	\$1,700	

**FIELD REVIEWS**

**ROOFING**

5.0 Membranes, shingles	3 Visits	\$170	\$510
5.1 Insulation, ballast	2 Visits	\$170	\$340
5.2 Vapor Barrier	0 Visits	\$0	\$0
5.3 Air Barrier	0 Visits	\$0	\$0
5.4 Ventilation	0 Visits	\$0	\$0
5.5 Drainage Systems	0 Visits	\$0	\$0
5.6 Snow & Ice Control	0 Visits	\$0	\$0
5.7 Safety Tie Back Anchors	0 Visits	\$0	\$0
5.8			

**ROOFING SUB TOTAL**      15 Visits      \$850

0 Visits	0 Visits	\$0	3 Visits	\$510
0 Visits	0 Visits	\$0	2 Visits	\$340
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0
0 Visits	0 Visits	\$0	0 Visits	\$0

**FIELD REVIEWS**

**Fire Safety Systems**

6.0 Containment, Fire Stopping	10 Visits	\$170	\$1,700
6.1 Egress	0 Visits	\$0	\$0

0 Visits	0 Visits	\$0	10 Visits	\$1,700
\$0	0 Visits	\$0	0 Visits	\$0

**SCHEDULE A  
BUDGET**

Project Name: 256 Philip Street  
Project Number:

JD Developments

## **SCOPE OF WORK**

## Bulletin 19 Risk Areas      Units      Rates      Total

6.2	Suppression	0 Visits	\$0	\$0
6.3	Fire Proofing, Density Tests	0 Visits	\$0	\$0
6.4	Sound Transmission, STC ratings	5 Visits	\$170	\$850
6.5				

FIRE LIFE SAFETY SUB TOTAL \$15,000.00 \$2,550

## FIELD REVIEWS

#### **Interior Finishes, Common Areas**

7.0	Corridors, Stairwells, etc	0 Visits	\$0	\$0
7.1	Party & Common Rooms	0 Visits	\$0	\$0
7.2	Sauna, Fitness Rooms	0 Visits	\$0	\$0
7.3	Swimming Pool	0 Visits	\$25	\$0
7.4				

**INTERIOR SUB-TOTAL** \$0

FIELD REVIEWS

Elevators                    0 Visits        \$0        \$0

ELEVATOR SUB TOTAL \$0.

FIELD REVIEWS

## Mechanical

9.0	HVAC	0 Visits	\$0	\$0
9.1	Plumbing Supply	0 Visits	\$0	\$0
9.2	Plumbing Drainage	0 Visits	\$0	\$0
9.3	Waste Disposal	0 Visits	\$0	\$0
9.4	Insulation	0 Visits	\$0	\$0

MECHANICAL SUBTOTAL \$0

SCHEDULE A  
BUDGET

Project Name: 256 Philip Street  
Project Number:

JD Developments

**SCOPE OF WORK**

Bulletin 19 Risk Areas	Units	Rates	Total	<b>INVOICING</b>		Remaining					
				Previously Invoiced	THIS INVOICE	#	\$				
<b>FIELD REVIEWS</b>											
Electrical											
10.0 Distribution Systems	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
10.1 Lighting	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
10.2 Emergency Power	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
10.3 Intercom & Security Systems	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
10.4 Insulation	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
<b>ELECTRICAL SUB TOTAL</b>				\$0							
<b>FIELD REVIEWS</b>											
Site Work											
11.0 Pavement, Curbs	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.1 Retaining Walls	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.3 Landscaping Structures	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.4 Fences	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.5 Irrigation Systems	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.6 Sod, Trees, Shrubs	0 Visits	\$0	\$0	0 Visits	0 Visits	0 Visits	\$0				
11.7											
<b>SITE WORK SUB TOTAL</b>				\$0							
<b>REPORTING</b>											
12.0 Engineering Meetings/Visits	10 hrs	\$250	\$2,500	0 Hrs	0 Hrs	10 Hrs	\$2,500				
12.1 Report Review	20 hrs	\$90	\$1,800	0 Hrs	0 Hrs	20 Hrs	\$1,800				
12.2 Word Processing	20 hrs	\$60	\$1,200	0 Hrs	0 Hrs	20 Hrs	\$1,200				
12.3 Bi-Weekly Builder Reports	0	\$0	\$0	0	0	0	\$0				
12.4 Scope of Work Report	0	\$0	\$0	0	0	0	\$0				
12.5 Bulletin 19 Sixty Day Reports	0	\$0	\$0	0	0	0	\$0				

SCHEDULE A  
BUDGET

Project Name: 256 Philip Street  
Project Number:

JD Developments

**SCOPE OF WORK**

Bulletin 19 Risk Areas	Units	Rates	Total
12.6 Bulletin 19 Milestone Reports	0	\$0	\$0
12.7 Final Bulletin 19 Report	0	\$0	\$0
12.8			
<b>REPORTING SUB TOTAL</b>			<b>\$5,500</b>
<b>BULLETIN 19 TOTAL</b>			<b>\$43,295</b>
NO OPTIONS			
GST		GST	\$5,628.35
TOTAL			\$48,923.35

<b>INVOICING</b>					
Previously Invoiced	<b>THIS INVOICE</b>		<b>Remaining</b>		
	#	\$	#	\$	
0	0	\$0	0	\$0	
0	0	\$0	0	\$0	
		\$0		\$5,500	
		\$0		\$42,816	
		GST	\$0.00		
		<b>THIS INVOICE</b>	<b>\$0.00</b>		



# Phoenix Security Services

## STATEMENT OF WORK

This Statement of Work shall evidence the services to be provided by Phoenix Security Services ("Vendor" or "Phoenix Security") to JD Development Phillip Street Limited for the Phillip Street Student Housing Apartment Complex Security Project – four buildings plus common areas for a period of five years from date of original purchase order.

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### 1. SUMMARY

JD Development Phillip Street Limited has engaged Phoenix Security to deliver the necessary consulting resources to complete the above noted project as detailed in Sections 2 to 4.

### 2. Design and Pre-Construction

- 2.1 JD Development Phillip Street Limited and Phoenix Security review any special business requirements and meet with all Stakeholders for design input. This specifically includes designing the solution to accommodate the entire Philip street student complex and 100% video coverage of common areas.
- 2.2 JD Development Phillip Street Limited and Phoenix Security review project site to acquire an understanding of the particular requirements for coordination with landlord and building standards and conditions.
- 2.3 Phoenix to provide budget pricing to JD Development Phillip Street Limited(if requested) for the preparation of the Project Budget.
- 2.4 JD Development Phillip Street Limited Issues purchase order to Phoenix.
- 2.5 Design Development: Phoenix commences preparation of Security Package. This may require attendance at a review meeting either in person or by phone/WebEx. The development of the Security Package includes coordination with Electrical, Communication and Door Hardware consultants – Phoenix to investigate standalone locks as part of door hardware package. AOR provides CAD plans.
- 2.6 Construction Document: Phoenix continues the process of finalizing Security Package includes coordination with Electrical, Communication, Elevator and Door Hardware consultants.
- 2.7 Phoenix to attend 80% drawing review in person to review and coordinate all consultants' scope of work resulting in a final update of Security Package in preparation for "Issued for Tender". Phoenix to include 80% set, Issued for Tender Set and Issued for Construction set. Should additional revisions be required Phoenix to provide quotation for additional fees for JD Development Phillip Street Limited approval



## Phoenix Security Services

- 2.8 Phoenix issues Design Package to JD Development Phillip Street Limited for review and final approval. Design Package to contain the following documents:
- Package Checklist for JD Development Phillip Street Limited Approval
  - Security Specification
  - Access Allocation Sheet
  - CCTV Allocation Sheet
  - Intrusion Allocation Sheet
  - Intercom/Duress Allocation Sheet
  - Bill of Materials
  - Test and Commission Sheets
  - Drawing Package Provided in pdf – Architectural E size
    - Cover Sheet with list of symbols and drawing list
    - Floor plan with devices and device addresses
    - Risers for all systems
    - Door detail drawing for each door
    - CCTV detail drawings
    - Intrusion detail drawings
    - Intercom and Duress detail drawings
    - Tamper and Power Supply Alarms
    - Wall or Rack Layout

### 3. Tendering

- 3.1 Phoenix issues Tender Package to Construction Manager. Tender package contains:
- Design Package as per section 2.8
  - Cover letter with scope
  - Instructions to Bidders document that has been provided by the Architect to ensure continuity with all trades
  - Supplemental Bid Form
- 3.2 Phoenix reviews Bids provided by Construction manager and prepares summary matrix and makes recommendations for Security Vendor to CM/JD Development.
- 3.3 JD Development Phillip Street Limited reviews summary and recommendation. JD Development Phillip Street Limited makes final recommendation for Security Vendor back to Phoenix and CM.
- 3.4 Upon receipt of all approvals and any additional funding required, JD Development Phillip Street Limited confirms successful Security Vendor with Phoenix and GC/CM. JD Development Phillip Street Limited provides copy of Security Vendor quotation to GC/CM. Security Vendor to be engaged directly by Contractor (GC/CM).
- 3.5 Phoenix issues "For Construction" to Security Vendor.



## Phoenix Security Services

### 4. CONTRACT ADMINISTRATION

- 4.1 Security Vendor to attend Construction Kick- Off Meeting.
- 4.2 Security Vendor to attend regular Construction Site Meetings. Phoenix to attend Site Meetings as required (minimum one per month) to verify work performed and compliance to design intent, by Security Vendor.
- 4.3 Prepare change notice documentation as required and coordinate changes with Electrical, Communication and Door Hardware consultants.
- 4.4 Review and approve Contractor monthly progress draws to validate work complete by Security Vendor.
- 4.5 Security Vendor responsible for all coordination for the install and activation of Mag Locks. Phoenix to ensure this is specifically outlined in Security Vendor scope of work.
- 4.6 Phoenix and Security Vendor attend punch list walkthrough with Contractor. Phoenix prepares list of punch list items for completion.
- 4.7 Security Vendor completes testing/commissioning of equipment and all punch list items.
- 4.8 Phoenix oversees testing/commissioning and completion of punch list
- 4.9 Phoenix provides CAD drawings to Security Vendor for the completion of as built drawings.
- 4.10 Security Vendor to prepare close out package including as built drawings and warranties.
- 4.11 Phoenix to review and approve close out package.
- 4.12 Security Vendor to submit approved close out package to GC/CM, who in turn submits to the JD Development Phillip Street Limited



## Phoenix Security Services

### 5. Fees:

Fee Proposal ..... \$57,656.45 plus HST

Section 2 Design	\$37,873.65
Section 3 Tendering	\$ 5,206.00
Section 4 Contract Administration	\$14,576.80

### Hourly and Per Diem Rates (For T&M work or work outside scope)

Consulting .....	\$137.00 per hour
Local Travel .....	Actual Travel Time one Way
Out of Town Travel .....	\$825.00 per day plus

Signature:  
Date: February 11 2014

Title: Security Consultant  
Phoenix Security Services

Signature:  
Date: Feb. 13, 2014  
Title: CEO  
JD Development Phillip Street Limited

**CONTACT INFORMATION**



OCCUPANCY BASED ENERGY MANAGEMENT

Rami Belson  
[rami@energexinc.com](mailto:rami@energexinc.com)  
Cell: 604-616-2618

Vancouver Office  
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Tel: 604-448-1899

Toronto Office  
42 Howard Drive  
Toronto, ON, Canada, M2K 1K6  
Tel: 416-566-3577



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## EXECUTIVE SUMMARY

Prepared for: JD Development Phillip Street Limited

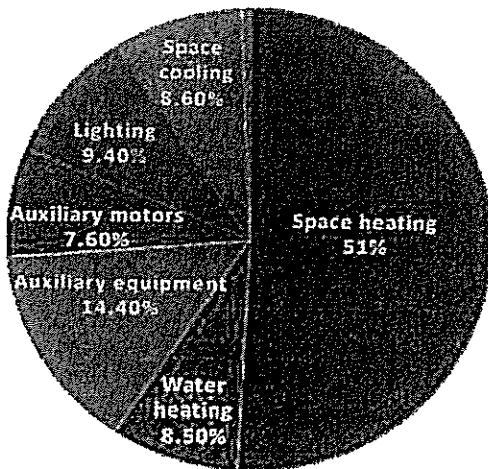
Energex Occupancy Based Energy Management Systems help make energy management easy for building owners and managers. Why leave your property's energy consumption in the hands of careless tenants? Energex helps you increase energy efficiency and be kinder to the planet.

Whether you're running a multi-residential, hotel, student dorms or office buildings, you likely face the problem of energy waste in rooms when they are vacant. Using advanced passive infrared sensors, Energex systems recognize when an apartment in your building becomes unoccupied and can place the HVAC as well as the lighting system in a more energy efficient setting. Once a room becomes reoccupied the settings are quickly return to those last selected by the occupant.

Temperature alteration and lighting on average accounts for 68% of a buildings total energy consumption. Energex ensures they are only being utilized when appropriate, resulting in significant reductions of energy costs.

Energex systems are presently deployed in over 50,000 rooms worldwide, and saves approximately 10,000 kW daily. It is enthusiastically utilized by pioneering universities, senior living facilities, hotels, governments, commercial and rental property owners worldwide. Energex Solutions have been recognized by prominent media in North America, are a certified Energy Star® product and honored with Buildings magazines "2007 Editor's Choice Award"

Student Housing  
Energy Use End-Use



Source: NRCan, National Energy Use Database, 1990 to 2005 (2007), Comprehensive Energy Use Database, Commercial/Institutional Sector, Canada, Table 4.

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## HOW IT WORKS

Using a combination of passive infrared occupancy sensors and a switching control microprocessor, (Energy Management Unit or EMU), the Energex Occupancy Based Energy Management System knows when a room in your building is unoccupied and reacts intelligently to prevent energy waste.

Every energy management unit (EMU) is user definable and designed to interface with all lighting, cooling, heating and ventilation systems. Each passive infrared sensor is ultra-sensitive in order to identify a thermal signature when the room is occupied. The sensor is programmable with a 'switch-on' timer that can cover over 1260 square feet and comes with several mounting options to eliminate false triggers. The Energex solution is designed as a cost effective energy management tool with numerous expansion capabilities to provide clients with the opportunity to modernizing their buildings with a complete building intelligence and energy solution in the future.

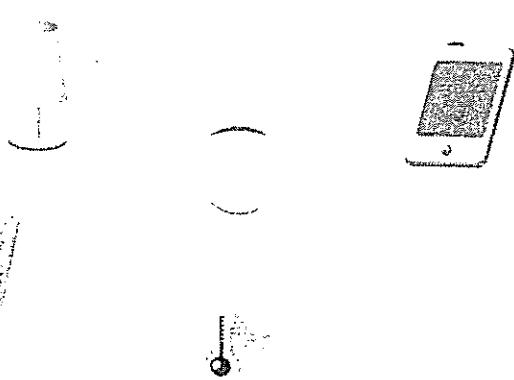
### Additional Options Include:

- Lighting controls
- Demand Response
- Remote Management and Headend control
- Wireless Energy Consumption Tracking
- Door and Window Sensors
- Real-Time Occupancy System

### This is how it works

Our Advanced PIR and Ultrasonic occupancy sensors seamlessly expand from a stand-alone, low-cost energy management system to include unlimited control possibilities.

The system quickly scales up to include lighting controls, remote management, load shedding, WIFI, Zigbee access modules and a full interface to any Property Management Software (PMS) and Building Automation System (BAS).



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## ABOUT ENERGEX

Established in 1992 in Vancouver, British Columbia, Energex was formed with the mission to develop and supply cost effective technologies which help prevent energy waste. Utilizing expertise with passive infrared technologies and control systems, Energex identified the potential for an autonomous system which would regulate HVAC run time as well as various other inputs based on occupancy. After four years in research and development Energex introduced its first commercial system in 2001.

Although initially adopted primarily by the Hospitality market, Energex quickly became an industry leader in occupancy controls technology and soon began increasing the flexibility of its system for deployment in various other building types.

Over the last decade, Energex's commitment to continuous improvement has set it apart from emerging competitors through its expertise and ability to recognize the critical need for:

- Customized HVAC settings based on geographic climate and building characteristics
- Quick and easy integration with any HVAC and Lighting system for increased efficiency.
- Expansion capability of systems for web based controls and future upgrades
- Balancing occupant comfort with energy savings
- Customized sensor location to ensure exact accuracy

The Energex occupancy based energy management system has now come to be recognized as one of the smartest and most cost-effective energy conservation systems in the world. It has received considerable acclaim by clients as well as media, and has been verified by recognized third parties to reduce energy consumption 15% to 40%.<sup>1</sup> Making it one of the top investments any building owner or manager can make.

*Together we shall save this planet or together, we shall perish in its flames. Save it we can and save it we must and we shall earn the eternal thanks of mankind and the eternal blessings of God.*

John F. Kennedy  
1961



<sup>1</sup> Verified through extensive testing by both BC Hydro and Pacific Gas & Electric.



## WHY ENERGEX?

### Technology

- LEED Applicability
- Unobtrusive & intelligent
- Ability to integrate with any HVAC system
- Independently validated total energy savings (25 - 45%)
- Proven, reliable performance
- Future expandability

### Service

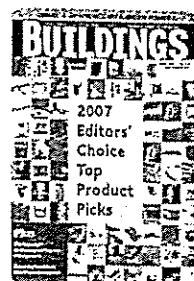
- 24 Hour client support
- Experienced team
- In-house engineering and development
- Professional and courteous staff
- Reliable and dedicated team
- Quick and simple installations

### Reputation

- Trusted by industry leaders
- Partnership with Edwards Company®
- Buildings Magazine Editor's Choice award-winner
- Over 10 million room / nights
- 100% product and service guarantee
- Over 300 installation projects in 14 countries

## OUR GUARANTEE

Our superior technology and services has been an integral part of our tremendous success and is backed by a two year parts and labor guarantee. We are confident that our system will significantly reduce energy waste in your building while increasing comfort and satisfaction. "Our confidence in our solution goes beyond words and is backed by our pledge to completely satisfy the needs of our clients. If our products do not meet the minimum expected energy reductions, or cause client dissatisfaction in any way, we will do everything possible to rectify the problem, or reimburse our clients in full for their purchase."



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## PARTS AND INSTALLATION COSTS

### Components costs and break-down

256 Phillip Street Building A Only

Component	Zones/QTY.	Cost each	Total cost
VSD40 PIR Occupancy Sensor	532	\$39.95	\$21,253.40
IR1836 EMU Energy Management Unit	106	\$65.55	\$6,948.30
PPTIK24 Fan Coil Unit control interface kit	106	\$19.95	\$2,114.70
Installation and commissioning by Energex Technicians	532	\$28.00	\$14,896.10
Total project price – Installed			\$45,212.50

Prices include all materials, mounting hardware, shipping, 2-year onsite warranty and 4 additional spare kits for future service and need. Rough in wiring by electrical contractor – wire is supplied by Energex.

The prices do not include the applicable taxes and permits

Approved by: Julia Zhang Date approved: Feb. 14, 2014

Signature







SHAPING GREAT COMMUNITIES

PLANNERS  
URBAN DESIGNERS  
LANDSCAPE ARCHITECTS

**KITCHENER OFFICE**

GSP Group Inc.  
72 Victoria Street S., Suite 201  
Kitchener, ON N2G 4Y9  
P 519.569.8883  
F 519.569.8643

**HAMILTON OFFICE**

GSP Group Inc.  
29 Rebecca Street, Suite 200  
Hamilton, ON L8R 1B3  
P 905.572.7477

[www.gspgroup.ca](http://www.gspgroup.ca)

February 19, 2014

File No.: P14.17

JD Development Phillip Street Limited  
3601 Highway 7 East  
Suite 610  
Markham, ON  
L3R 0M3

Dear Sir or Madam:

**Re:     Proposal for Planning Consulting Services  
            Draft Plan of Condominium Process  
            Phillip Street, Waterloo**

It was a great pleasure to meet with you last week to learn about the exciting new development by JD Development Phillip Street Limited in arguably the best location in the City of Waterloo for the construction of a high density residential student village. As well, I appreciated the discussion with regard to the options for condominiumization available to JD Development Phillip Street Limited for the proposed underground parking and individual towers.

I am pleased to provide you with this proposal letter for planning consulting services to assist you and your Project Team in pursuit of the Draft Plan of Condominium and registration process. It is my understanding that you are proposing to register each of the four individual towers as a condominium along with associated parking assigned to each tower with cross rights-of-way/easements for ingress/egress and services, along with related maintenance agreements whereby the future underground parking will function as a single entity.

I foresee the following tasks to be undertaken:

- Pre-consultation meeting coordinated through the Regional Municipality of Waterloo and with the City of Waterloo based on a preliminary Draft Plan of Condominium (Phase One) to be provided by your Ontario Land Surveyor. It is anticipated that we will be requesting an "Exemption" whereby we will be seeking a waiver of any public consultation process, particularly in light of your very recent Site Plan Approval for the project.

- Reporting of the pre-consultation meeting requirements to your Legal Counsel and Surveyor. It is anticipated that there will be few if any issues, although the Region will require a Planning Justification Report which is included in this proposal.
- Coordination of the submission requirements, as directed by you, including the preparation of the Planning Justification Report (copies to be determined), Draft Plan of Condominium copies, Draft Condominium Declaration, and the possibility of a Stationary Noise Study, whereby the Region often imposes same for modelling of noise impacts on adjacent land uses. This latter issue will be explored at the Pre-consultation Meeting.
- Expedite with the City and Region the circulation of the condominium application and receipt of agencies' comments to be distributed to the Project Team. Identification of any issues with responsibility to respond to same.
- Work with the City in the preparation of a Staff Report and, particularly, a review of the City Conditions of Draft Approval. Liaison with you to determine acceptance of those draft conditions and response to the City.
- Brief presentation and attendance at the City of Waterloo General Committee where the recommendation will be heard and considered for approval.
- Assist the Region of Waterloo in expediting the preparation of the Formal Conditions of Draft Approval. Note that this is a Commissioner's approval and does not proceed to Regional Council unless there is a contentious issue (not expected).
- Clearance of Conditions of Draft Approval, including coordination with the Project Team. This is anticipated to take a few meetings between the OLS and Legal Counsel and likely the Civil Engineer with regard to ensuring that the cross services and access rights-of-way/easements are comprehensively documented.
- Submission of the Clearance package to the City and Region of Waterloo identifying how the conditions have been cleared, the necessary copies of the Draft Registered and Reference Plans for the clearance. Upon Regional approval of the plans, advise the OLS that the plans can be circulated to the Ontario Registry Office for review and final preparation of plans for signature and registration.

I anticipate our fee estimate to undertake this work to be approximately \$7,500.00 to \$8,500.00 plus HST and disbursements. Once the first phase is registered, the balance of the phases should be expedited as the template will set.

As I indicated to you in our meeting, I would initiate the Draft Plan of Condominium process as soon as the preliminary drawings are available from the OLS for Phase One. As you can appreciate with the two-tier municipalities, there is some duplication of effort in securing the approvals through the City of Waterloo and Region of Waterloo.

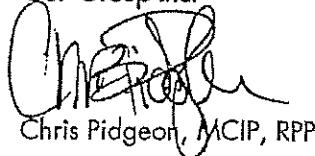
Again, it was a pleasure meeting with you to hear about this exciting project. I look forward to your response to our proposal to assist you. I should note that there may be some of the tasks that I have outlined above that will be undertaken by you, which would result in lower fees being charged on the project. As well, you had indicated that you have an excellent OLS and Legal Counsel which also assists in increased efficiencies.

If this proposal is acceptable to you, please provide your signature as authorization for GSP to undertake this work on your behalf. Our invoices are issued on a monthly basis and are payable upon receipt. Disbursements are charged at cost for such things as long distance charges, printing, mileage, etc., and I would not anticipate that disbursements will exceed 5% of the professional fee estimate.

In the meantime if you have any questions, please do not hesitate to contact me.

Yours truly,

GSP Group Inc.



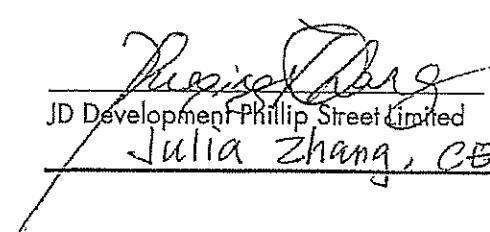
Chris Pidgeon, MCIP, RPP

cp/kf

c.c.: Sandy Hogg

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I/we, JD Development Phillip Street Limited, hereby authorize GSP Group Inc. to undertake the proposal in accordance with the aforementioned letter containing the terms and conditions and fee estimate for this project.



JD Development Phillip Street Limited  
Julia Zhang, CEO

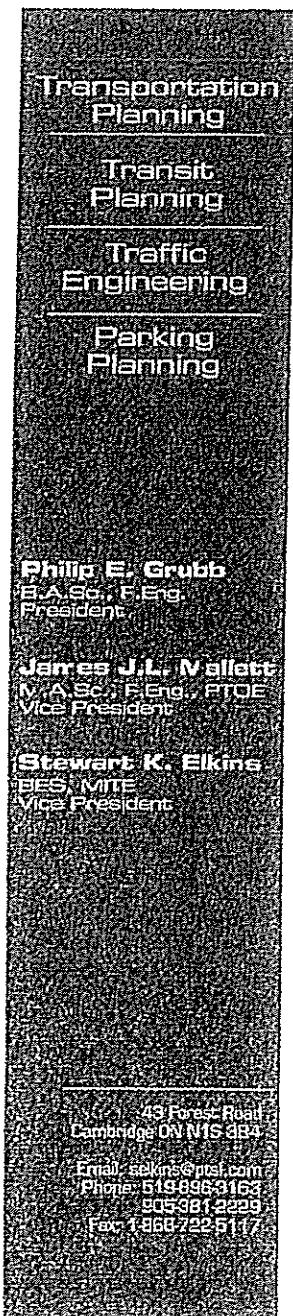
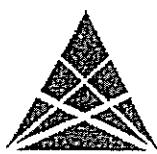
Feb. 19, 2014

Date

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August 24, 2011  
Project: promo-waterloo

JD Phillip Street Limited Partnership  
c/o Michael McKnight  
McKnight Charron Laurin Inc. Architects  
67 High Street  
Barrie ON L4N 1W5

Dear Mr. McKnight:

**Re: Non-resident Parking Analysis and  
Traffic and Pedestrian Management  
Transportation Services Proposal**

Further to your e-mail request of July 18th<sup>th</sup>, our e-mail exchanges and our discussions on this matter with your office, and our discussions with Mr. Ryan Mounsey of the City of Waterloo we have developed the attached work program and fee estimate to undertake the above-noted study in support of the proposed student development Phillip Street in Waterloo. In our discussions with City staff, they are concerned on two fronts:

1. **Visitor Activity at Site:** While the proposed development meets the City's requirements in terms of the parking allocation defined by the zoning by-law, the City remains concerned related to visitor and other "non-resident" parking and activity. Given that the development is expected to house over 2,200 residents, additional precision with respect to the estimated "non-resident" activity is required. This will include visitors, deliveries, employees and possible commercial-related parking. It is noted that the City is experiencing issues related to "non-resident" parking at other buildings that have complied with its by-law requirements and are much smaller in scale. The prime concern is that the scale of the proposed development far exceeds anything previously constructed in Waterloo. It is conjectured that the activity levels are non-linear and as such these "issues" may be compounded by the scale of the proposed development.
2. **Traffic and Pedestrian Operations on Phillip Street:** The City is concerned that with potentially more than 2,200 residents, there will be significant intermingling of cars and pedestrians on Phillip Street near the site and that appropriate

August 24, 2011  
Mr. McKnight

mitigation, as well as traffic management and pedestrian management recommendations need to be identified.

The following work plan can be completed for a fee of \$12,000 excluding HST and disbursements (travel, communications, reproduction, clerical services, etc.). If additional follow-up is required as a result of the agency review process (including attendance at Council or Committee Meetings), or if any other support is required for the project following submission of the report, it will be undertaken at our normal hourly rates (\$130/hour for principals; \$80/hour for technical staff) on an hourly basis plus HST and disbursements. As we are not able to predict with any certainty what level of effort is required following the submission, we have not included it in our contract estimate.

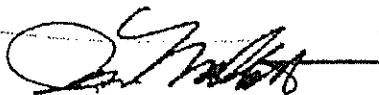
Prior to commencing work on this project we will require a retainer payment of \$4,000 to be transmitted along with the executed copy of this Professional Service Agreement. A second retainer payment of \$4,000 is due prior to the provision of the DRAFT report, with the final retainer payment of \$4,000 being required prior to the provision of the Final report.

We anticipate that completion of the above work plan can be accomplished in about 6-8 weeks, subject to receiving written authorization to proceed or return of a duly executed copy of the attached agreement.

Thank you very much for this opportunity to provide our services. We trust that this will be acceptable. Please feel free to contact me if you require clarification of any of the above or if you have any questions or concerns.

Yours very truly,

**PARADIGM TRANSPORTATION SOLUTIONS LIMITED**



**James J.L. Mallett**  
M.A.Sc., P.Eng., PTOE  
Vice President

August 24 2011

Mr. McKnight

## Work Program

### 1. Task 1 – Confirmation of Process and Scope of Work:

The requested information from the City of Waterloo does not follow specifically its typical requirements for Transportation and Parking Impact Studies. Therefore the Non-Resident Parking Analysis and Traffic and Pedestrian Management Study terms of reference will need to be reviewed and approved by the City of Waterloo for overall concurrence and more specifically, agreement on the approach to the study and acceptance of any proposed representative study sites where data will be collected.

### 2. Task 2 – Use of Objective third party data on Student Resident Auto Ownership:

We will collect data from independent sources data to articulate the unconstrained rate of auto ownership for those students living in close proximity to UW and Sir Wilfrid Laurier. We will carry this information to predict the peak resident parking demand for the Phillip Street development building based on assumed occupancy levels and unconstrained parking.

### 3. Task 3 – Collect Data at existing Comparable Sites:

We will survey the following representative sites in Waterloo, Kitchener and Hamilton:

- Lester Street, Waterloo (approximately 10 buildings)
- University Place (King and Ezra, Waterloo)
- Keats Way and University Avenue, Waterloo
- Conestoga College (former hotel building) – west side of Homer Watson, Kitchener
- 1686 Main Street, Hamilton (2 buildings)

The purpose of the survey will be to determine the demand (accumulation and duration) for parking that occurs over the course of a typical weekday (Tuesday/Wednesday) and typical weekend day (Friday/Saturday) at each location. The surveys will be conducted ½ hourly from 4:00 PM until 8:00 AM and will include visitor parking demand associated with the site which may include on-street parking in some instances. We note the some municipalities do not permit overnight parking on street and as such we anticipate this will assist in determining the differences between residents and visitors. We will use the observed parking demand profile to establish a relationship between building occupancy/size and peak parking demand for a weekday and weekend occupancy. This is also expected to provide information related to visitor and overnight guest activity. We will also collect information for the buildings with respect to any employees that may be present.

### 4. Task 4 – Unconstrained Parking Demand Projections:

We will use the estimated building occupancy levels to assist in estimating the parking accumulation for on-site parking for residents, employees and visitors at the Phillip Street site. Peak times of day will be identified and typical and peak parking demand ratios will be developed for each population type on-site (residents, employees, visitors) and projected based on building occupancy. The unconstrained demand will be compared to the parking spaces provided so that an understanding of the desired reduction can be obtained.

August 24, 2011  
Mr. McKnight

5. *Task 5 – Parking Management Plan:*

To create a supportable plan for managing the overall parking demand we will develop and evaluate alternative parking management measures to develop a parking management plan for the Phillip Street site to ensure that the projected peak parking demand does not exceed the spaces provided. This will include consideration of various methods of parking control (i.e. gates, parking fees, permit parking, assigned parking) and potential PDM (parking demand management measures – limiting supply, transit passes, bicycle parking, car sharing, short-term parking fees, etc.). This approach will provide a comprehensive implementation plan to be provided to the City. This plan will be supported where possible by experience in other locations that is available in the published literature.

6. *Task 6 – Traffic and Pedestrian Management Plan:*

To create a supportable plan for managing the overall traffic and pedestrian activity at the site, will develop and evaluate alternative management measures for the Phillip Street site to mitigate any operational conflicts that may occur with full development of the site. This will include consideration of various methods of traffic and pedestrian control (i.e. access management, fencing, landscaping) as well as support for pedestrian crossings of Phillip Street. This approach will provide a comprehensive implementation plan to be provided to the City.

7. *Task 7 - Report and Recommendations:*

We will prepare and submit a detailed report documenting the above complete with our recommended plan and implementation strategy. This report will provide the review the unconstrained demand for resident, employee and visitor parking, the amount of parking demand that is to be effectively removed via the parking management strategy and the recommended actions to be undertaken to accomplish it. Therefore, it will provide the City a comprehensive and objective means of reviewing the proposed parking allocation at the Phillip Street site and the estimated non-resident demand. In addition, the report will provide the City a fulsome assessment of the anticipated traffic and pedestrian flows and conflicts and will include recommendations on any mitigation measures.

August 24 2011  
Mr McKnight

**ATTACHMENT A**  
**PROFESSIONAL SERVICES AGREEMENT BETWEEN**

**AND**  
**PARADIGM TRANSPORTATION SOLUTIONS LIMITED**

- Services To Be Provided: As per letter dated August 24, 2011 to McKnight Charron Laurin Inc. Architects.
- Estimated Fees: \$12,000 (excluding HST and disbursements)
- Retainers: \$4000 / \$4000 / \$4000
- Estimated Completion Date: 6-8 weeks from authorization
- Number of Final Report copies required: \_\_\_\_\_

Send Invoices to: (Please print or type)

Firm:	JD DEVELOPMENT PHILIP STREET LP
Street Address:	3601 HWY 7 E. Suite 903
City/Province:	Markham / Ontario
Postal Code	L3R 0N3
Attention/(Title):	
Telephone:	905 - 479 - 9898 / 9833
Fax:	905 - 479 - 9890
Email:	

Agent of Client with Signing Authority: (Please print or type)

Firm:	
Street Address:	
City/Province:	
Postal Code	
Attention/(Title):	
Telephone:	
Fax:	
Email:	

August 24, 2011  
Mr. McKnight

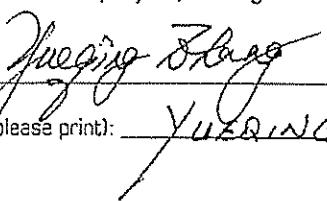
## TERMS AND CONDITIONS

- Fees are non-refundable and invoices are payable upon receipt. Disbursements may include traffic surveys, travel, printing and communication costs which shall be billed at cost plus a 5% administration charge.
- We reserve the right to request full payment of outstanding amounts prior to submission of our Final Report. We reserve the right to stop work if invoices are not paid within thirty (30) days and interest charges from commencement of project will incur and be due and payable from client.
- Meetings and any additional work not specifically described herein but requested by the client or his agents shall be performed on an hourly basis plus out-of-pocket expenses and applicable taxes. If the scope of work changes significantly once work has commenced we shall review the fee arrangement with the client. We have based our estimate for fees and expenses on information provided to us at the time of our proposal. Should this information change during the course of this project, our fees and expenses may increase.
- Approvals from any government authority are not guaranteed. The fees quoted above do not include services rendered in connection with any appeal to the Ontario Municipal Board or the preparation and attendance at Council or any of its committees, the Committee of Adjustments and/or Land Division Committee or similar statutory meetings.
- The undersigned agrees to pay Paradigm Transportation Solutions Limited in full under this agreement for furnished services within 30 days of each invoice date. Interest shall be paid at the rate of 1.5 % per month on all accounts outstanding beyond 30 days. The undersigned will be responsible for collection of proportionate invoice payments from associated partners, clients, client group members and/or participants in this agreed upon assignment.

We require signed and witnessed authorization prior to commencing the work. If the suggested scope of work as well as the above Terms and Conditions are agreeable to you please sign and return one copy of this agreement to our office.

The undersigned has authority to bind the corporation, acknowledges responsibility for payment of all invoices related to this project, and agrees to adhere to the terms and conditions noted above.

Client Signature:

  
Yueling Zhang

Date:

Aug 23, 2011

Client name & title (please print):

YUELING ZHANG

Witness:

For Office Use Only:

PM

SAC

BT

Start Date

Target Date

PEGMJLAWBG

STO-SPECED

USARLY

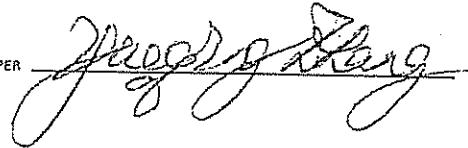
Project Name:

Project Number:

JD PROPERTY CANADA CORP.

0086

DATE 2 0 / 1 - 0 9 - 0 2  
Y Y Y M M D D

PAY to Paradigm Transportation Solution Ltd \$ 4000.00  
the order of Four thousand dollars only 100 DOLLARS 



CANADIAN IMPERIAL BANK OF COMMERCE  
4841 YONGE STREET  
NORTH YORK, ONTARIO M2N 5X2

JD PROPERTY CANADA CORP.

RE First retainer for  
philip parking

10000086 1004120101 17482111



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Line	Code	Process	Receive
Paradigm	1531		9>,11
Payment Company		JD Property.	
Payment Method	#86		
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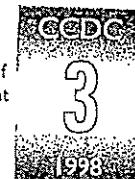
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## Cost plus contract

(with guaranteed maximum price option)

Phillip St. Development - Building A  
MB13-2-003

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CCDC 3 - 1998 except to the extent  
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modifications are set forth in  
supplementary conditions.



**CCDC**

Canadian construction documents committee

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The Canadian Construction Association  
Construction Specifications Canada  
The Royal Architectural Institute of Canada

Committee policy and procedures are directed and approved by the constituent organizations.

This document has been endorsed by each of the above organizations.

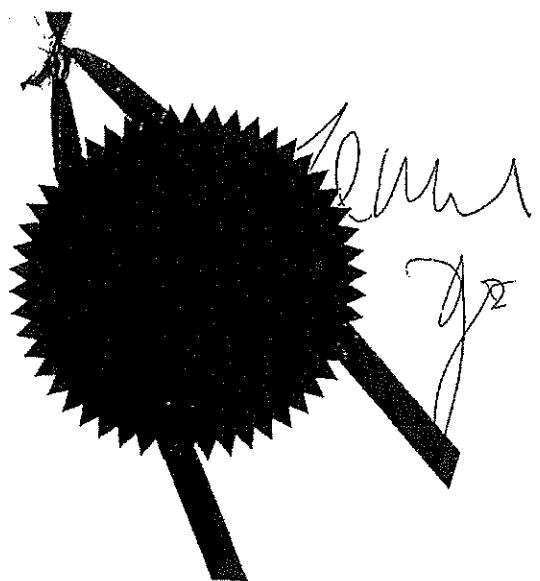
Enquiries should be directed to:

The Secretary  
Canadian Construction Documents Committee  
75 Albert Street  
Suite 400  
Ottawa, Ontario  
K1P 5E7  
Tel: (613) 236-9455  
Fax: (613) 236-9526  
[www.ccdc.org](http://www.ccdc.org)

**This is Exhibit "Z" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14 day of June 2018**

  
**A COMMISSIONER FOR TAKING AFFIDAVIT**

Owner Copy



Standard construction document CCDC

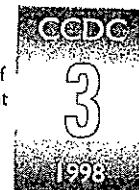
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## Cost plus contract (with guaranteed maximum price option)

Phillip St. Development - Building A  
MB13-2-003

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Fax: (613) 236-9526  
[www.ccdc.org](http://www.ccdc.org)

## ARTICLE A-2 AGREEMENTS AND AMENDMENTS

- 2.1 The *Contract* supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the *Work*, including the bidding documents that are not expressly listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS.
- 2.2 The *Contract* may be amended only as provided in the *Contract Documents*.

## ARTICLE A-3 CONTRACT DOCUMENTS

- 3.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement - THE WORK:
  - Agreement Between *Owner* and *Contractor*
  - Definitions
  - The General Conditions of the Cost Plus Contract

\*Supplementary Conditions - Amendments to Standard Construction Document CCDC 3 - 1998, dated July 11, 2013 - 23 pages

\*Melloul-Blamey Construction Inc., List of Documents (Tender Package #3) - Philip Street Development - Building A, dated July 10, 2013 - 1 page

\*Melloul-Blamey Construction Inc., List of Drawings - Phillip Street Development - Building A, dated July 10, 2013 - 4 pages

Upon full execution of the revised contract dated January 17, 2014, the previous contract dated July 10, 2013 will be superseded.

The following documents have been adjusted as of January 17, 2014 from the original contract dated July 10, 2013 to accommodate the revised start date:

\*Melloul-Blamey Construction Inc., Class B Cost Estimate - Phillip St Student Housing - Tower A, dated January 14, 2014 - 1 page

\*Melloul-Blamey Construction Inc., UD-Philip St. Tower "A", dated January 17, 2014 - 1 page

\*Melloul-Blamey Construction Inc., Construction Management Proposal for Phillip St. Development - Building A only, dated January 17, 2014 - 13 pages

- \* (Insert here, attaching additional pages if required, a list identifying all other *Contract Documents* e.g.
- Supplementary Conditions;
  - Specifications, giving a list of contents with section numbers and titles, number of pages, and date;
  - Drawings, giving drawing number, title, date, revision date or mark;
  - Addenda, giving title, number, date;
  - Wage schedule;
  - Schedule of head office or other personnel as referred to in paragraphs 4.1.2 and 4.1.3 of Article A-4 of the Agreement - COST OF THE WORK including the method of determining such costs;
  - Method of calculating financing costs as referred to in paragraph 4.1.22 of Article A-4 of the Agreement - COST OF THE WORK;
  - Method of calculating computer costs as referred to in paragraph 4.1.24 of Article A-4 of the Agreement - COST OF THE WORK;
  - Method of accounting and audit as referred to in GC 5.2 - ACCOUNTING AND AUDIT;
  - Method of adjusting Contractor's Fee as referred to in paragraph 5.2 of Article A-5 of the Agreement - CONTRACTOR'S FEE;
  - Method, details, and frequency of schedule presentation as referred to in paragraph 3.5.1 of GC 3.5 - CONSTRUCTION SCHEDULE;
  - Schedule providing for advance or special payments; and
  - Any other special requirements or agreements)

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- .18 charges for long distance telephone and facsimile communications, courier services, expressage, photocopying, reproduction of *Contract Documents*, and petty cash items incurred in relation to the performance of the *Work*;
- .19 the cost of removal and disposal of waste products and debris;
- .20 costs incurred due to emergencies affecting the safety of persons or property;
- .21 legal costs, incurred by the *Contractor*, in relation to the performance of the *Work* provided that they are not caused by negligent acts or omissions of the *Contractor* and the *Work* is performed in accordance with the *Contract Documents*;
- .22 the cost of financing the *Work* in accordance with the method determined by the parties and identified in Article A-3 of the Agreement - CONTRACT DOCUMENTS;
- .23 the cost of auditing when requested by the *Owner*;
- .24 the cost of computer time and usage in accordance with the method determined by the parties and identified in Article A-3 of the Agreement - CONTRACT DOCUMENTS; and
- .25 the cost of removal or containment of toxic or hazardous substances;
- .26 other costs incurred in the performance of the *Work* as listed below:

*Construction Management Fees:
- Project Superintendent \$2,650.00 per week
- Assistant Superintendent \$2,550.00 per week
- Foreman/Site Safety Officer \$2,450.00 per week
- General Superintendent \$500.00 per month
- Safety Auditor \$300.00 per audit
- Carpenter \$59.50 per hour
- Carpenter/Lift Operator \$54.50 per hour
- Labourer \$49.50 per hour
- Material Handling \$44.50 per hour
- Housekeeping \$39.50 per hour
*Typical General Costs:
- Site Truck \$900.00 per month per truck
- Site Communications, Phone, Fax, Mobile, High Speed \$700.00 per month
- Field Office Supplies \$400.00 per month
- Liability Insurance (if owner provides wrap up policy) \$0.34 per \$1000.00
*Melloul-Blamey Construction Inc. - Monthly Tool Rental/Shop Supplies Report, dated March 27, 2012 - 3 pages

Notwithstanding the foregoing and any provisions contained in the General Conditions of the *Contract*, it is the intention of the parties that the *Cost of the Work* referred to herein shall cover and include any and all contingencies other than those which are the result of or occasioned by any failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor's* attention to the *Work*. Any cost due to failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor's* attention to the *Work* shall be borne by the *Contractor*.

#### 4.2 Discounts, rebates and refunds

- .1 All cash discounts shall accrue to the *Contractor* unless the *Owner* deposits funds with the *Contractor* with which to make payments, or where the *Owner* pays the costs of financing the *Work*, in which case the cash discounts shall accrue to the *Owner*. All trade discounts, rebates and refunds, and all returns from sale of surplus materials and equipment applicable to the *Work* shall accrue to the *Owner*, and the *Contractor* shall make provisions so that they can be secured.

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- .2 make progress payments to the *Contractor* of the portion of the *Contractor's Fee* earned as described in Article A-5 of the Agreement - CONTRACTOR'S FEE together with such *Value Added Taxes* as may be applicable to such payment, and
  - .3 upon *Substantial Performance of the Work*, pay to the *Contractor* the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and
  - .4 upon the issuance of the final certificate for payment, pay to the *Contractor* the unpaid monies of the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.
- 7.2 In the event of loss or damage occurring where payment becomes due under the property and boiler insurance policies, payments shall be made to the *Contractor* in accordance with the provisions of GC 11.1 - INSURANCE.
- 7.3 Interest
- .1 Should either party fail to make payments as they become due under the terms of the *Contract* or in an award by arbitration or court, interest at ~~1.1~~ One percent (1%) per annum above the prime rate on such unpaid amounts shall also become due and payable until payment. Such interest shall be compounded on a monthly basis. The prime rate shall be the lowest rate of interest quoted by the Royal Bank of Canada for prime business loans.
  - .2 Interest shall apply at the rate and in the manner prescribed by paragraph 7.3.1 of this Article on the amount of any claim and for which the *Contractor* is thereafter entitled to payment, either pursuant to Part 8 of the General Conditions - DISPUTE RESOLUTION, or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

#### ARTICLE A-8 RECEIPT OF AND ADDRESSES FOR NOTICES

- 8.1 Notices in writing between the parties or between them and the *Consultant* shall be considered to have been received by the addressee on the date of delivery if delivered to the individual, or to a member of the firm, or to an officer of the corporation for whom they are intended by hand or by registered post; or if sent by regular post, to have been delivered within 5 *Working Days* of the date of mailing when addressed as follows:

The *Owner* at

JD Development Phillip Street Limited  
3601 Highway 7 E, Suite 903 610  
Markham, ON L3R 0M3

The *Contractor* at

Melloul-Blamey Construction Inc.  
700 Rupert Street  
Waterloo, ON N2V 2B5

The *Consultant* at

McKnight Charron Laurin Inc., Architects  
48 Alliance Boulevard, Unit 110  
Barrie, ON L4M 5K3

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**DEFINITIONS**

The following Definitions shall apply to all *Contract Documents*,

1. **Contract**  
The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities, and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.
2. **Contract Documents**  
The *Contract Documents* consist of those documents listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS and amendments agreed upon between the parties.
3. **Owner**  
The *Owner* is the person or entity identified as such in the Agreement. The term *Owner* means the *Owner* or the *Owner's* authorized agent or representative as designated to the *Contractor* in writing, but does not include the *Consultant*.
4. **Contractor**  
The *Contractor* is the person or entity identified as such in the Agreement. The term *Contractor* means the *Contractor* or the *Contractor's* authorized representative as designated to the *Owner* in writing.
5. **Subcontractor**  
A *Subcontractor* is a person or entity having a direct contract with the *Contractor* to perform a part or parts of the *Work*, or to supply *Products* worked to a special design for the *Work*.
6. **Supplier**  
A *Supplier* is a person or entity having a direct contract with the *Contractor* to supply *Products* not worked to a special design for the *Work*.
7. **Consultant**  
The *Consultant* is the person or entity identified as such in the Agreement. The *Consultant* is the Architect, the Engineer, or entity licensed to practice in the province or territory of the *Place of the Work*. The term *Consultant* means the *Consultant* or the *Consultant's* authorized representative.
8. **Project**  
The *Project* means the total construction contemplated of which the *Work* may be the whole or a part.
9. **Work**  
The *Work* means the total construction and related services required by the *Contract Documents*.
10. **Place of the Work**  
The *Place of the Work* is the designated site or location of the *Work* identified in Article A-1 of the Agreement - THE WORK.
11. **Product**  
*Product* or *Products* means material, machinery, equipment, and fixtures forming the *Work*, but does not include machinery and equipment used to prepare, fabricate, convey, or erect the *Work*, which are referred to as construction machinery and equipment.
12. **Provide**  
*Provide* means to supply and install.
13. **Cost of the Work**  
The *Cost of the Work* is the amount stipulated in Article A-4 of the Agreement - COST OF THE WORK which excludes the *Value Added Taxes*.

## GENERAL CONDITIONS OF THE COST PLUS CONTRACT

### PART 1 GENERAL PROVISIONS

#### GC 1.1 CONTRACT DOCUMENTS

- 1.1.1 The intent of the *Contract Documents* is to include the labour, *Products*, and services necessary for the performance of the *Work* by the *Contractor* in accordance with these documents. It is not intended, however, that the *Contractor* shall supply products or perform work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.
- 1.1.2 Nothing contained in the *Contract Documents* shall create any contractual relationship between:
  - .1 the *Owner* and a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any of the *Work*.
  - .2 the *Consultant* and the *Contractor*, a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any of the *Work*.
- 1.1.3 The *Contract Documents* are complementary, and what is required by any one shall be as binding as if required by all.
- 1.1.4 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.
- 1.1.5 References in the *Contract Documents* to the singular shall be considered to include the plural as the context requires.
- 1.1.6 The specifications are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, and the services necessary for the performance of the *Work*.
- 1.1.7 The drawings are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location, and dimensions of the *Work*, generally including plans, elevations, sections, details, schedules, and diagrams.
- 1.1.8 Neither the organization of the specifications into divisions, sections, and parts nor the arrangement of drawings shall control the *Contractor* in dividing the work among *Subcontractors* and *Suppliers* or in establishing the extent of the work to be performed by a trade.
- 1.1.9 If there is a conflict within *Contract Documents*:
  - .1 the order of priority of documents, from highest to lowest, shall be
    - the Agreement between the *Owner* and the *Contractor*,
    - the Definitions,
    - Supplementary Conditions,
    - the General Conditions,
    - Division 1 of the specifications,
    - Divisions 2 through 16 of the specifications,
    - material and finishing schedules,
    - drawings.
  - .2 drawings of larger scale shall govern over those of smaller scale of the same date.
  - .3 dimensions shown on drawings shall govern over dimensions scaled from drawings.
  - .4 later dated documents shall govern over earlier documents of the same type.
- 1.1.10 The *Owner* shall provide the *Contractor*, without charge, sufficient copies of the *Contract Documents* to perform the *Work*.
- 1.1.11 Specifications, drawings, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant's* property, with the exception of the signed *Contract* sets, which shall belong to each party to the *Contract*. All specifications, drawings, and models furnished by the *Consultant* are to be used only with respect to the *Work* and are not to be used on other work. These specifications, drawings, and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.

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- 2.2.5 The *Consultant* will not be responsible for and will not have control, charge, or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations, or general construction practice. The *Consultant* will not be responsible for the *Contractor's* failure to carry out the *Work* in accordance with the *Contract Documents*. The *Consultant* will not have control over, charge of, or be responsible for the acts or omissions of the *Contractor, Subcontractors, Suppliers*, or their agents, employees, or any other persons performing portions of the *Work*.
- 2.2.6 The *Consultant* will be, in the first instance, the interpreter of the requirements of the *Contract Documents* and shall make findings as to the performance thereunder by both parties to the *Contract*, except with respect to GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER. Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents*. When making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Contractor*.
- 2.2.7 Claims, disputes, and other matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents*, except for GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER, shall be referred initially to the *Consultant* by notice in writing given to the *Consultant* and to the other party for the *Consultant's* interpretation and finding which will be given by notice in writing to the parties within a reasonable time.
- 2.2.8 The *Consultant* will have authority to reject work which in the *Consultant's* opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed, or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Contractor, Subcontractors, Suppliers*, or their agents, employees, or other persons performing any of the *Work*.
- 2.2.9 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Contractor* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Contractor*.
- 2.2.10 The *Consultant* will review and take appropriate action upon such *Contractor's* submittals as shop drawings, *Product* data and samples, as provided in the *Contract Documents*.
- 2.2.11 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 2.2.12 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* as provided in GC 5.5 - SUBSTANTIAL PERFORMANCE OF THE WORK.
- 2.2.13 All certificates issued by the *Consultant* shall be to the best of the *Consultant's* knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.
- 2.2.14 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Contractor* and will forward such warranties and documents to the *Owner* for the *Owner's* acceptance.

### GC 2.3 REVIEW AND INSPECTION OF THE WORK

- 2.3.1 The *Owner* and the *Consultant* shall have access to the *Work* at all times. The *Contractor* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.

- .2 assume overall responsibility for compliance with the applicable health and construction safety legislation at the *Place of the Work*;
  - .3 enter into separate contracts with other contractors under conditions of contract which are compatible with the conditions of the *Contract*;
  - .4 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 - INSURANCE and co-ordinate such insurance with the insurance coverage of the *Contractor* as it affects the *Work*; and
  - .5 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of other contractors or the *Owner's* own forces.
- 3.2.3 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner's* own forces, the *Contractor* shall:
- .1 afford the *Owner* and other contractors reasonable opportunity to introduce and store their products and use their construction machinery and equipment to execute their work;
  - .2 co-ordinate and schedule the *Work* with the work of other contractors and *Owner's* own forces and connect as specified or shown in the *Contract Documents*;
  - .3 participate with other contractors and the *Owner* in reviewing their construction schedules when directed to do so; and
  - .4 where part of the *Work* is affected by or depends upon for its proper execution the work of other contractors or *Owner's* own forces, promptly report to the *Consultant* in writing and prior to proceeding with that part of the *Work*, any apparent deficiencies in such work. Failure by the *Contractor* to so report shall invalidate any claims against the *Owner* by reason of the deficiencies in the work of other contractors or *Owner's* own forces except those deficiencies not then reasonably discoverable.
- 3.2.4 Where a change in the *Work* is required as a result of the co-ordination and connection of the work of other contractors or *Owner's* own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 - CHANGES, GC 6.2 - CHANGE ORDER, and GC 6.3 - CHANGE DIRECTIVE.
- 3.2.5 Claims, disputes, and other matters in question between the *Contractor* and other contractors shall be dealt with as provided in Part 8 of the General Conditions - DISPUTE RESOLUTION provided the other contractors have reciprocal obligations. The *Contractor* shall be deemed to have consented to arbitration of any dispute with any other *Contractor* whose contract with the *Owner* contains a similar agreement to arbitrate.

### **GC 3.3 TEMPORARY SUPPORTS, STRUCTURES AND FACILITIES**

- 3.3.1 The *Contractor* shall have the sole responsibility for the design, erection, operation, maintenance, and removal of temporary supports, structures, and facilities and the design and execution of construction methods required in their use.
- 3.3.2 The *Contractor* shall engage registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such temporary supports, structures, and facilities and their method of construction are of such a nature that professional engineering skill is required to produce safe and satisfactory results.
- 3.3.3 Notwithstanding the provisions of GC 3.1 - CONTROL OF THE WORK, paragraph 3.3.1 and paragraph 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for temporary supports, structures and facilities or specify a method of construction in whole or in part, such facilities and methods shall be considered to be part of the design of the *Work* and the *Contractor* shall not be held responsible for that part of the design or the specified method of construction. The *Contractor* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.

- 3.8.3 The *Contractor* shall obtain surety bonds for subcontracts to the extent and for the amounts required by the *Contract Documents* as in accordance with paragraph 4.1.15 of the Agreement A-4 - COST OF THE WORK.
- 3.8.4 The *Contractor* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to whom the *Contractor* may reasonably object.
- 3.8.5 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor's* or *Supplier's* work which has been certified for payment.

#### **GC 3.9 LABOUR AND PRODUCTS**

- 3.9.1 *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those other *Products* specified for the *Work* and their use acceptable to the *Consultant*.
- 3.9.2 The *Contractor* shall maintain good order and discipline among the *Contractor's* employees engaged on the *Work* and shall not employ on the *Work* anyone not skilled in the tasks assigned.

#### **GC 3.10 DOCUMENTS AT THE SITE**

- 3.10.1 The *Contractor* shall keep one copy of current *Contract Documents*, submittals, reports, and records of meetings at the *Place of the Work*, in good order and available to the *Owner* and the *Consultant*.

#### **GC 3.11 SHOP DRAWINGS**

- 3.11.1 Shop drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Contractor* provides to illustrate details of a portion of the *Work*.
- 3.11.2 The *Contractor* shall provide shop drawings as described in the *Contract Documents* or as the *Consultant* may reasonably request.
- 3.11.3 The *Contractor* shall review all shop drawings prior to submission to the *Consultant*. The *Contractor* represents by this review that:
  - .1 the *Contractor* has determined and verified all field measurements, field construction conditions and *Product* requirements, or will do so and
  - .2 the *Contractor* has checked and co-ordinated each shop drawing with the requirements of the *Work* and of the *Contract Documents*.
 The *Contractor* shall confirm this review of each shop drawing by stamp, date and signature of the person responsible. At the time of submission the *Contractor* shall notify the *Consultant* in writing of any deviations in the shop drawings from the requirements of the *Contract Documents*.
- 3.11.4 The *Contractor* shall submit shop drawings to the *Consultant* to review in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of other contractors. Upon request of the *Contractor* or the *Consultant*, they jointly shall prepare a schedule of the dates for submission and return of shop drawings. Shop drawings which require approval of any legally constituted authority having jurisdiction shall be submitted to such authority by the *Contractor* for approval.
- 3.11.5 The *Contractor* shall submit shop drawings in the form specified or as the *Consultant* may direct. The *Consultant* will review and return shop drawings in accordance with the schedule agreed upon, or otherwise with reasonable promptness so as to cause no delay. The *Consultant's* review is for conformity to the design concept and for general arrangement only. The *Consultant's* review shall not relieve the *Contractor* of responsibility for errors or omissions in the shop drawings or for meeting all requirements of the *Contract Documents* unless the *Consultant* expressly notes the acceptance of a deviation on the shop drawings.
- 3.11.6 Upon the *Consultant's* request, the *Contractor* shall revise and resubmit shop drawings which the *Consultant* rejects as inconsistent with the *Contract Documents* unless otherwise directed by the *Consultant*. The *Contractor* shall notify the *Consultant* in writing of any revisions to the resubmission other than those requested by the *Consultant*.

- 4.1.7 The *Contractor* and the *Consultant* shall jointly prepare a schedule that shows when the *Consultant* and *Owner* must authorize ordering of items called for under cash allowances to avoid delaying the progress of the *Work*.

## PART 5 PAYMENT

### GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER

- 5.1.1 The *Owner* shall, at the request of the *Contractor*, prior to execution of the Agreement, and/or promptly from time to time thereafter, furnish to the *Contractor* reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*.
- 5.1.2 The *Owner* shall notify the *Contractor* in writing of any material change in the *Owner's* financial arrangements during the performance of the *Contract*.

### GC 5.2 ACCOUNTING AND AUDIT

- 5.2.1 The *Contractor* shall keep full and detailed accounts and records necessary for the documentation of the *Cost of the Work* as in accordance with Article A-3 - CONTRACT DOCUMENTS.
- 5.2.2 The *Owner* shall be afforded reasonable access to all of the *Contractor's* books, records, correspondence, instructions, drawings, receipt vouchers, subcontractor and supplier invoices, and memoranda relating to the *Cost of the Work*, and for this purpose the *Contractor* shall preserve all such records for a period of 1 year from the date of the final certificate for payment.

### GC 5.3 APPLICATIONS FOR PROGRESS PAYMENT

- 5.3.1 Applications for payment on account as provided in Article A-7 of the Agreement - PAYMENT may be made monthly as the *Work* progresses.
- 5.3.2 Applications for payment shall be dated the last day of the agreed monthly payment period and the amount applied for shall be the cost of the *Work* performed and *Products* delivered to the *Place of the Work* or other locations designated by the *Owner* in accordance with the provisions of Article A-4 of the Agreement - COST OF THE WORK, during the current month plus the amount of the fee earned in accordance with the provisions of Article A-5 of the Agreement - CONTRACTOR'S FEE.
- 5.3.3 The application for payment shall include items of cost as defined in Article A-4 of the Agreement - COST OF THE WORK and other support documents required by the *Owner* as in accordance with Article A-3 of the Agreement - CONTRACT DOCUMENTS.
- 5.3.4 When submitting the second and succeeding applications for payment, the *Contractor* shall furnish receipted vouchers or other satisfactory evidence of payment for all items included in the preceding applications. If the *Owner* has reasonable grounds for believing that any amount included in preceding applications has not been paid the *Owner* may withhold payment in respect of such amount from the current application until satisfactory evidence of payment is given by the *Contractor*.
- 5.3.5 Claims for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

### GC 5.4 PROGRESS PAYMENT

- 5.4.1 The *Consultant* will issue to the *Owner*, no later than 10 days after the receipt of an application for payment from the *Contractor* submitted in accordance with GC 5.3 - APPLICATIONS FOR PROGRESS PAYMENT, a certificate for payment in the amount applied for or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* amends the application, the *Consultant* will promptly notify the *Contractor* in writing giving reasons for the amendment.

## **GC 5.7 PROGRESSIVE RELEASE OF HOLDBACK**

In the Common Law provinces or territories GC 5.7.1 shall read as follows:

- 5.7.1 Where legislation permits and where, upon application by the *Contractor*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, on the day following the expiration of the holdback period for such work stipulated in the lien legislation applicable to the *Place of the Work*.

In the Province of Quebec GC 5.7.1 shall read as follows:

- 5.7.1 Where, upon application by the *Contractor*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier* no later than 30 days after such certification by the *Consultant*. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Contractor* which are enforceable against the *Owner*.
- 5.7.2 Notwithstanding the provisions of the preceding paragraph, and notwithstanding the wording of such certificates, the *Contractor* shall ensure that such subcontract work or *Products* is protected pending the issuance of a final certificate for payment and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when such certificates were issued.

## **GC 5.8 FINAL PAYMENT**

- 5.8.1 When the *Contractor* considers that the *Work* is completed, the *Contractor* shall submit an application for final payment.
- 5.8.2 The *Consultant* will, no later than 10 days after the receipt of an application from the *Contractor* for final payment, complete reviewing the *Work* to verify the validity of the application, and no later than 7 days after completing the review, will notify the *Contractor* that the application is valid or give reasons why it is not valid.
- 5.8.3 When the *Consultant* finds the *Contractor*'s application for final payment valid, the *Consultant* will issue a final certificate for payment.
- 5.8.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 - WORKERS' COMPENSATION, and any lien legislation applicable to the *Place of the Work*, the *Owner* shall, no later than 5 days after the issuance of a final certificate for payment, pay the *Contractor* as provided in Article A-7 of the Agreement - PAYMENT.

## **GC 5.9 WITHHOLDING OF PAYMENT**

- 5.9.1 If because of climatic or other conditions reasonably beyond the control of the *Contractor*, there are items of work that cannot be performed, payment in full for that portion of the *Work* which has been performed as certified by the *Consultant* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Consultant* determines is sufficient and reasonable to cover the cost of performing such remaining work.

## **GC 5.10 NON-COMFORMING WORK**

- 5.10.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

#### GC 6.4 CONCEALED OR UNKNOWN CONDITIONS

- 6.4.1 If the *Owner* or the *Contractor* discover conditions at the *Place of the Work* which are:
- .1 subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* which differ materially from those indicated in the *Contract Documents*; or
  - .2 physical conditions of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*;
- then the observing party shall notify the other party in writing before conditions are disturbed and in no event later than 5 *Working Days* after first observance of the conditions.
- 6.4.2 The *Consultant* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would justify an increase or decrease in the *Contractor's Fee*, in the *Guaranteed Maximum Price* or in the *Contract Time*, the *Consultant*, with the *Owner's* approval, shall issue appropriate instructions for a change in the *Work* as provided in GC 6.2 - CHANGE ORDER or GC 6.3 - CHANGE DIRECTIVE.
- 6.4.3 If the *Consultant* finds that the conditions at the *Place of the Work* are not materially different or that no change in the *Contractor's Fee*, in the *Guaranteed Maximum Price* or in the *Contract Time* is justified, the *Consultant* shall report the reasons for this finding to the *Owner* and the *Contractor* in writing.

#### GC 6.5 DELAYS

- 6.5.1 If the *Contractor* is delayed in the performance of the *Work* by an action or omission of the *Owner*, *Consultant*, or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for overhead costs incurred by the *Contractor* as the result of such delay.
- 6.5.2 If the *Contractor* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or any person employed or engaged by the *Contractor* directly or indirectly, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for overhead costs incurred by the *Contractor* as the result of such delay.
- 6.5.3 If the *Contractor* is delayed in the performance of the *Work* by labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Contractor* is a member or to which the *Contractor* is otherwise bound), fire, unusual delay by common carriers or unavoidable casualties, or without limit to any of the foregoing, by a cause beyond the *Contractor's* control, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Contractor* agrees to a shorter extension. The *Contractor's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for overhead costs incurred by the *Contractor* as the result of such delay.
- 6.5.4 No extension shall be made for delay unless notice in writing of claim is given to the *Consultant* not later than 10 *Working Days* after the commencement of delay, providing however, that in the case of a continuing cause of delay only one notice of claim shall be necessary.
- 6.5.5 If no schedule is made under paragraph 2.2.9 of GC 2.2 - ROLE OF THE CONSULTANT or paragraph 3.5.1 of GC 3.5 - CONSTRUCTION SCHEDULE, no claim for delay shall be allowed because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made and not then, unless the claim is reasonable.

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## GC 7.2 CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

- 7.2.1 If the *Owner* should be adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner's* insolvency, or if a receiver is appointed because of the *Owner's* insolvency, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, by giving the *Owner* or receiver or trustee in bankruptcy notice in writing, terminate the *Contract*.
- 7.2.2 If the *Work* should be suspended or otherwise delayed for a period of 30 days or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or of anyone directly or indirectly employed or engaged by the *Contractor*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, by giving the *Owner* notice in writing, terminate the *Contract*.
- 7.2.3 The *Contractor* may notify the *Owner* in writing, with a copy to the *Consultant*, that the *Owner* is in default of the *Owner's* contractual obligations if:
  - .1 the *Owner* fails to furnish, when so requested by the *Contractor*, reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*, or
  - .2 the *Consultant* fails to issue a certificate as provided in GC 5.4 - PROGRESS PAYMENT, or
  - .3 the *Owner* fails to pay the *Contractor* when due the amounts certified by the *Consultant* or awarded by arbitration or court, or
  - .4 the *Owner* violates the requirements of the *Contract* to a substantial degree and the *Consultant*, except for GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER, confirms by written statement to the *Contractor* that sufficient cause exists.
- 7.2.4 The *Contractor's* notice in writing to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected, within 5 Working Days following the receipt of the notice in writing, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, suspend the *Work* or terminate the *Contract*.
- 7.2.5 If the *Contractor* terminates the *Contract* under the conditions set out above, the *Contractor* shall be entitled to be paid for all work performed together with a percentage fee or a proportionate part of the fixed fee as is applicable, for loss sustained upon *Products* and construction machinery and equipment, and such other damages as the *Contractor* may have sustained as a result of the termination of the *Contract*.

## PART 8 DISPUTE RESOLUTION

### GC 8.1 AUTHORITY OF THE CONSULTANT

- 8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved in the first instance by findings of the *Consultant* as provided in GC 2.2 - ROLE OF THE CONSULTANT, shall be settled in accordance with the requirements of Part 8 of the General Conditions - DISPUTE RESOLUTION.
- 8.1.2 If a dispute arises under the *Contract* in respect of a matter in which the *Consultant* has no authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.2.3 to 8.2.8 of GC 8.2 - NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.3 - RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.
- 8.1.3 If a dispute is not resolved promptly, the *Consultant* shall give such instructions as in the *Consultant's* opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. The *Owner* shall pay the *Contractor* all costs incurred in carrying out such instructions, which costs are to be identified separately as relating to such requirements of the *Contract Documents*. If it is subsequently determined that such instructions were in accordance with the requirements of the *Contract Documents*, the *Owner* shall recover such amounts from the *Contractor* through a specific amendment to the current certificate for payment as described in Part 5 of the General Conditions - PAYMENT.

- 8.3.2 Nothing in Part 8 of the General Conditions - DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Work* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.2.6 to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

## PART 9 PROTECTION OF PERSONS AND PROPERTY

### GC 9.1 PROTECTION OF WORK AND PROPERTY

- 9.1.1 The *Contractor* shall protect the *Work* and the *Owner's* property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Contractor's* operations under the *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
- .1 errors in the *Contract Documents*;
  - .2 acts or omissions by the *Owner*, the *Consultant*, other contractors, their agents and employees.
- 9.1.2 Should the *Contractor* in the performance of the *Contract* damage the *Work*, the *Owner's* property or property adjacent to the *Place of the Work*, the *Contractor* shall be responsible for the making good such damage at the *Contractor's* expense.
- 9.1.3 Should damage occur to the *Work* or *Owner's* property for which the *Contractor* is not responsible, as provided in paragraph 9.1.1, the *Contractor* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner's* property. The *Contractor's Fee, Guaranteed Maximum Price and Contract Time* shall be adjusted as provided in GC 6.1 - CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.

### GC 9.2 DAMAGES AND MUTUAL RESPONSIBILITY

- 9.2.1 If either party to the *Contract* should suffer damage in any manner because of any wrongful act or neglect of the other party or of anyone for whom the other party is responsible in law, then that party shall be reimbursed by the other party for such damage. The reimbursing party shall be subrogated to the rights of the other party in respect of such wrongful act or neglect if it be that of a third party.
- 9.2.2 Claims for damage under paragraph 9.2.1 shall be made in writing to the party liable within reasonable time after the first observance of such damage and if undisputed shall be confirmed by *Change Order*. Disputed claims shall be resolved as set out in Part 8 of the General Conditions - DISPUTE RESOLUTION.
- 9.2.3 If the *Contractor* has caused damage to the work of another *Contractor* on the *Project*, the *Contractor* agrees upon due notice to settle with the other contractor by negotiation or arbitration. If the other contractor makes a claim against the *Owner* on account of damage alleged to have been so sustained, the *Owner* shall notify the *Contractor* and may require the *Contractor* to defend the action at the *Contractor's* expense. The *Contractor* shall satisfy a final order or judgment against the *Owner* and pay the costs incurred by the *Owner* arising from such action.
- 9.2.4 If the *Contractor* becomes liable to pay or satisfy a final order, judgment or award against the *Owner*, then the *Contractor*, upon undertaking to indemnify the *Owner* against any and all liability for costs, shall have the right to appeal in the name of the *Owner* such final order or judgment to any and all courts of competent jurisdiction.

### GC 9.3 TOXIC AND HAZARDOUS SUBSTANCES AND MATERIALS

- 9.3.1 For the purposes of applicable environmental legislation, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.
- 9.3.2 Prior to the *Contractor* commencing the *Work*, the *Owner* shall
- .1 take all reasonable steps to determine whether any toxic or hazardous substances or materials are present at the *Place of the Work*, and
  - .2 provide the *Consultant* and the *Contractor* with a written list of any such substances and materials.

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- 10.2.3 The *Contractor* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.
- 10.2.4 The *Contractor* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the date of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Contractor* shall notify the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will make the changes required to the *Contract Documents* as provided in GC 6.1 - CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 10.2.5 If the *Contractor* fails to notify the *Consultant* in writing; and fails to obtain direction as required in paragraph 10.2.4; and performs work knowing it to be contrary to any laws, ordinances, rules, regulations, or codes; the *Contractor* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.

### GC 10.3 PATENT FEES

- 10.3.1 The *Contractor* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The amount incurred shall be included in the *Cost of the Work* as in accordance with paragraph 4.1.14 of the Agreement A-4 - COST OF THE WORK. The *Contractor* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Contractor* or anyone for whose acts the *Contractor* may be liable.
- 10.3.2 The *Owner* shall hold the *Contractor* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, the model, plan or design of which was supplied to the *Contractor* as part of the *Contract Documents*.

### GC 10.4 WORKERS' COMPENSATION

- 10.4.1 Prior to commencing the *Work*, *Substantial Performance of the Work*, and the issuance of the final certificate for payment, the *Contractor* shall provide evidence of compliance with workers' compensation legislation at the *Place of the Work*, including payments due thereunder.
- 10.4.2 At any time during the term of the *Contract*, when requested by the *Owner*, the *Contractor* shall provide such evidence of compliance by the *Contractor* and *Subcontractors*.

## PART 11 INSURANCE — BONDS

### GC 11.1 INSURANCE

- 11.1.1 Without restricting the generality of GC 12.1 - INDEMNIFICATION, the *Contractor* shall provide, maintain and pay for the insurance coverages specified in GC 11.1 - INSURANCE. The amount incurred shall be included in the *Cost of the Work* as in accordance with paragraph 4.1.15 of the Agreement A-4 - COST OF THE WORK. Unless otherwise stipulated, the duration of each insurance policy shall be from the date of commencement of the *Work* until the date of the final certificate for payment. Prior to commencement of the *Work* and upon the placement, renewal, amendment, or extension of all or any part of the insurance, the *Contractor* shall promptly provide the *Owner* with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements.

(5) The *Contractor* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount at which the *Owner's* interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds and as provided in GC 5.3 - APPLICATIONS FOR PROGRESS PAYMENT and GC 5.4 - PROGRESS PAYMENT. In addition the *Contractor* shall be entitled to receive from the payments made by the insurer the amount of the *Contractor's* interest in the restoration of the *Work*.

.5 Contractors' Equipment Insurance:

"All risks" contractors' equipment insurance covering construction machinery and equipment used by the *Contractor* for the performance of the *Work*, including boiler insurance on temporary boilers and pressure vessels, shall be in a form acceptable to the *Owner* and shall not allow subrogation claims by the insurer against the *Owner*. The policies shall be endorsed to provide the *Owner* with not less than 15 days notice in writing in advance of cancellation, change or amendment restricting coverage. Subject to satisfactory proof of financial capability by the *Contractor* for self-insurance, the *Owner* agrees to waive the equipment insurance requirement.

- 11.1.2 Where the full insurable value of the *Work* is substantially less than the *Cost of the Work*, the *Owner* may reduce the amount of insurance required or waive the course of construction insurance requirement.
- 11.1.3 If the *Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Contractor* and the *Consultant*.
- 11.1.4 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Work*.

**GC 11.2 BONDS**

- 11.2.1 The *Contractor* shall, prior to commencement of the *Work* or within the specified time, provide to the *Owner* any surety bonds required by the *Contract* as in accordance with paragraph 4.1.15 of the Agreement A-4 - COST OF THE WORK.
- 11.2.2 Such bonds shall be issued by a duly licensed surety company authorized to transact a business of suretyship in the province or territory of the *Place of the Work* and shall be maintained in good standing until the fulfilment of the *Contract*. The form of such bonds shall be in accordance with the latest edition of the CCDC approved bond forms.

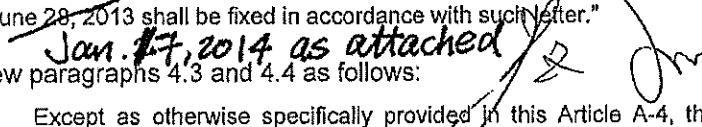
**PART 12 INDEMNIFICATION — WAIVER — WARRANTY**

**GC 12.1 INDEMNIFICATION**

- 12.1.1 The *Contractor* shall indemnify and hold harmless the *Owner* and the *Consultant*, their agents and employees from and against claims, demands, losses, costs, damages, actions, suits, or proceedings (hereinafter called "claims"), by third parties that arise out of, or are attributable to, the *Contractor's* performance of the *Contract* provided such claims are:
  - .1 attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, and
  - .2 caused by negligent acts or omissions of the *Contractor* or anyone for whose acts the *Contractor* may be liable, and
  - .3 made in writing within a period of 6 years from the date of *Substantial Performance of the Work* as set out in the certificate of *Substantial Performance of the Work*, or within such shorter period as may be prescribed by any limitation statute of the province or territory of the *Place of the Work*.The *Owner* expressly waives the right to indemnity for claims other than those stated above.
- 12.1.2 The obligation of the *Contractor* to indemnify hereunder shall be limited to \$2,000,000 per occurrence from the commencement of the *Work* until *Substantial Performance of the Work* and thereafter to an aggregate limit of \$2,000,000.

- 12.3.4 The *Owner*, through the *Consultant*, shall promptly give the *Contractor* notice in writing of observed defects and deficiencies that occur during the warranty period.
- 12.3.5 The *Contractor* shall enforce the warranty obligations of the *Subcontractors* and *Suppliers* which shall include the following provisions:
- .1 The *Subcontractor* or the *Supplier* shall correct promptly at their expense defects or deficiencies in the work which appear prior to and during the warranty periods specified in the *Contract Documents*.
  - .2 The *Subcontractor* or the *Supplier* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.3.
- 12.3.6 The *Contractor* shall be responsible for obtaining *Product* warranties in excess of one year on behalf of the *Owner* from the manufacturer. These *Product* warranties shall be issued by the manufacturer to the benefit of the *Owner*.

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- "4.1.1 when carrying out Contractor's own forces work performed with the prior written approval of the Owner, the wages and benefits paid for labour in the direct employ of the Contractor at the charge out rates agreed to by the parties;"
- 1.3.3 Delete paragraphs 4.1.2, 4.1.3, 4.1.4 and 4.1.24.
- 1.3.4 Amend the balance of paragraph 4.1 as follows:
- .1 Amend paragraph 4.1.6 by inserting the words "incorporated or to be incorporated into the Work" after the word "Products".
  - .2 Amend paragraph 4.1.10 by adding the words "unless caused or contributed to by the Contractor's breach of Contract or negligence;" to the end of that paragraph.
  - .3 Delete paragraph 4.1.26 and replace it with the following:
    - "4.1.26 fees and assessments for building permits and for other permits, licenses and inspections for which the Contractor is required by the Contract Documents to pay; and
    - 4.1.27 other costs incurred in the performance of the Work only to the extent such costs are approved by the Owner."
- 1.3.5 Amend the concluding paragraph of paragraph 4.1 by inserting the following to the beginning of that paragraph:
- "Notwithstanding the foregoing and any provisions contained in any Contract Documents, it is agreed that the Cost of the Work for the items of Work listed in the first table in the Contractor's letter dated June 28, 2013 shall be fixed in accordance with such letter."
- Jan. 17, 2014 as attached* 
- 1.3.6 Add new paragraphs 4.3 and 4.4 as follows:
- "4.3 Except as otherwise specifically provided in this Article A-4, the following costs shall not be reimbursed or otherwise included in the Cost of the Work:
    - .1 overhead and profit, except as may be expressly included in paragraph 4.1;
    - .2 fines, penalties, sanctions or impositions assessed or imposed by any government body, instrumentality or tribunal due, in whole or in part, to the action or inaction of the Contractor, or any person for whom it is responsible at law;
    - .3 cost resulting from the failure of the Contractor or any Subcontractor or Supplier to procure and maintain insurance as required by the Contract;
    - .4 any fines levied against the Contractor or the Owner due to the Contractor's or any Subcontractor's or Supplier's violation of federal, provincial or local laws, regulations or ordinances, except where such fines result from steps taken by the Contractor at the Owner's express direction;
    - .5 losses for which the Contractor is compensated by insurance;
    - .6 costs or expenses of the Contractor in its head or any district offices and the salaries and other compensation of its personnel stationed at those offices.
  - 4.4 Where the Contractor recovers charges or backcharges from a Subcontractor or Supplier, on an item for which the Contractor is entitled to reimbursement under this Contract, the Contractor shall credit the amount of such recovery to the Cost of the Work."

## SC 1.4 ARTICLE A-5 CONTRACTOR'S FEE

- 1.4.1 Delete paragraphs 5.1 and 5.2 and replace them with the following:

- "5.1 The Contractor's Fee, which excludes Value Added Taxes, is the sum of the fee for the Pre-Construction Services as specified in paragraph 5.2 and the fee for the Work as specified in paragraph 5.3.

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communication shall be deemed to have been received on the date of transmission provided that if such day is not a Working Day or if the written communication is received after the end of normal business hours on the date of its transmission at the place of receipt, then it shall be deemed to have been received at the opening of business at the place of receipt on the first Working Day next following the transmission thereof. An address for a party may be changed by written notice setting out the new address in accordance with this Article."

**SC 1.7 ARTICLE A-11 TIME IS OF THE ESSENCE**

- 1.7.1 Add a new Article A-11 as follows:

**"ARTICLE A-11 TIME IS OF THE ESSENCE**

- 11.1 It is agreed that one of the reasons the Contractor was selected to execute this Contract is the Contractor's representation and warranty that it will attain Substantial Performance of the Work of Building A Construction, within the timeframes stipulated in paragraph 1.3 of Article A-1. The Contractor acknowledges that it has been advised by the Owner that it is critical to the Owner that the Project is completed within such timeframes. The Contractor agrees that time shall be of the essence in the performance of the Contractor's obligations under this Contract."

- 1.7.2 Add a new Article A-12 as follows:

**"ARTICLE A-12 EFFECTIVE DATE**

- 12.1 This Contract will come into full force and effectiveness at the date of the Owner issuing the Notice to Proceed with Building A construction."

**SC 2. DEFINITIONS**

- SC 2.1** Amend Definition 2, "Contract Documents", by adding the words "in writing" after the words "agreed upon".

- SC 2.2** Delete Definition 8, "Project", and replace it with the following:

"Project means the total construction and services contemplated by this Contract, including the Pre-Construction Services and the Work."

- SC 2.3** Amend Definition 9, "Work", by adding the following to the end:

"For greater certainty, Work includes Building A Construction, but excludes the Pre-Construction Services."

- SC 2.4** Amend Definition 20, "Change Order", by deleting all of the words after the word "upon" in line 2 and replacing them with the following:

"-- a change in the Work;  
-- a change in the Contract Time;  
-- a change to the charge out rates for the Contractor's own forces work."

- SC 2.5** Delete Definition 22, "Substantial Performance of the Work", and replace it with the following:

"Substantial Performance of the Work is as defined in the *Construction Lien Act* (Ontario) and will be determined separately in relation to each of Building A Construction, , without regard to the state of completion of the other Work."

- SC 2.6** Add the following new Definitions:

- Supplementary Conditions,
- The Agreement between the Owner and the Contractor,
- The Definitions,
- The General Conditions,
- Division 1 of the specifications,
- Division 2 through 16 of the specifications,
- Material and finishing schedules,
- Drawings.

**SC 3.2 GC 1.4 ASSIGNMENT**

3.2.1 Delete paragraph 1.4.1 and replace it with the following:

- “1.4.1 The Contractor shall not assign the Contract or a portion thereof or its interest therein without the written consent of the Owner, which consent may be unreasonably and arbitrarily withheld. In the event of an assignment of the Contract by the Contractor, such assignment shall not relieve the Contractor from its obligations and liabilities hereunder.”
- 1.4.2 The Owner may assign the Contract or a portion thereof or its interest therein without the written consent of the Contractor where the assignment is required by the Owner’s financing.”

**SC 3.3 GC 2.2 ROLE OF THE CONSULTANT**

3.3.1 Amend paragraphs 2.2.6 and 2.2.7 by deleting the words “, except with respect to GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER” where these words appear in lines 2 and 3 in both paragraphs.

3.3.2 Amend paragraph 2.2.9 by adding the following to the end of that paragraph:

“If, in the opinion of the Contractor, a Supplemental Instruction involves an adjustment in the Contract Price or in the Contract Time, the Contractor shall, within five (5) Working Days of receipt of a Supplemental Instruction provide the Owner and the Consultant with a written notice to that effect and await further instructions.”

3.3.3 Delete paragraph 2.2.12 and replace it with the following:

“2.2.12 The Consultant will conduct reviews of the Work to determine the date of Substantial Performance of the Work of each of Building A Construction, as provided in GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK, and the date of completion of each as provided in GC 5.8 - FINAL PAYMENT.”

**SC 3.4 GC 2.3 REVIEW AND INSPECTION OF THE WORK**

3.4.1 Amend paragraph 2.3.5 by adding the following words to the end of the second sentence in that paragraph:

“, and there shall be no extensions of the Contract Time resulting from any delay caused by such examination and correction.”

**SC 3.5** Add a new PART 2A, “PART 2A – PRE-CONSTRUCTION AND CONSTRUCTION MANAGEMENT SERVICES”, immediately before the existing PART 3, as follows:

3.5.1 Add a new GC 2A.1, “PRE-CONSTRUCTION SERVICES”, as follows:

“GC 2A.1 PRE-CONSTRUCTION SERVICES

## AMENDMENTS TO STANDARD CONSTRUCTION DOCUMENT CCDC 3 – 1998

- 2A.1.5 Contractor shall assist the Owner and the Consultant in obtaining necessary approvals and permits required for demolition, construction and occupancy of the Project.
- 2A.1.6 Contractor shall recommend any equipment, materials or Products which should be pre-ordered to meet the Project Schedule. Contractor shall develop, monitor and maintain detailed construction schedules based on the proposed sequencing of Work related to the tender packages.
- 2A.1.7 Contractor shall present to the Owner, for the information of the Owner and the Consultant, the Contractor's plan for monitoring and safeguarding the health and safety of all parties involved on the Project. Such plan shall comply with the applicable health and construction safety legislation at the Place of the Work and all related rules, regulations and practices. The plan shall include an outline of how the Contractor intends to review the safety programs of each of the Subcontractors and Suppliers, their subcontractors and suppliers, any work performed by the Owner or its own forces, by other contractors, and the Contractor's own forces.
- 2A.1.8 Contractor shall collaborate and work with the Consultant and the Owner to identify and pre-qualify those prospective Subcontractors and Suppliers which have the skill, judgment and experience and financial capability to perform parts of the Work. Contractor shall identify and pre-order any long lead delivery items to ensure the timely availability of materials, labour and equipment as required to maintain the Project Schedule.
- 2A.1.9 Contractor shall:
- .1 confer with the Consultant to establish the Work scope and contents of the tender packages to be issued and shall coordinate, prepare and issue all tender packages necessary to complete the Project, including demolition work;
  - .2 provide advice to the Owner and the Consultant with respect to appropriate trades and with respect to the documentation required for and the scope and timing of tender packages to be issued;
  - .3 prepare for Owner's and/or the Consultant's approval the bid documents, including the form of Subcontractor and Supplier contracts, for the tender packages. Once approved, Contractor shall arrange for the advertising of bid calls and shall co-ordinate and issue bid documents to obtain competitive pricing for each tender package;
  - .4 without limiting the generality of the foregoing, Contractor shall confirm with the Consultant that each tender package includes a detailed and specific scope of Work, a completion date that is consistent with the Project Schedule, and that each tender package is consistent with the requirements of the Contract.
- 2A.1.10 Contractor shall analyze the tenders received and recommend trade awards to the Owner and the Consultant and shall provide advice with respect to options available to redesign and reduce costs where trade prices exceed amounts budgeted in the Project Budget."
- 3.5.2 Add new GC 2A.2, "CONSTRUCTION MANAGEMENT SERVICES", as follows:
- "GC 2A.2 CONSTRUCTION MANAGEMENT SERVICES**
- 2A.2.1 If not otherwise provided for under this Contract, the Contractor shall provide the services described in this GC 2A.2 after the Owner's issuance of the first Notice to Proceed.
- 2A.2.2 Unless otherwise provided pursuant to this Contract, the Contractor shall provide a written monthly report to the Owner and the Consultant which report shall include:
- .1 an overview of the state and progress of the Project;
  - .2 a list of critical issues of which the Contractor is aware and which require resolution, including dates by which decisions are required and by whom;
  - .3 proposed or anticipated changes of which the Contractor is aware, and their expected impacts on the Project;
  - .4 claims or anticipated claims of which the Contractor is aware against the Contractor, the Owner or the Project;

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- 2A.2.10 Contractor shall be responsible for maintaining the Project Schedule and for scheduling all of the Work so that it complies with the Project Schedule. Without in any way limiting the generality of the foregoing, the Contractor shall comply with the requirements of paragraph 2A.1.4 and shall immediately bring to the attention of the Owner and the Consultant any events or matters which may have the effect of delaying any Substantial Performance of the Work or completion or which may result in variances to the Project Schedule. Where the Contractor believes that it is justified in seeking an extension of the Project Schedule, it shall submit a notice to the Owner in accordance with the terms and conditions of this Contract.
- 2A.2.11 As part of its Project billing obligations, Contractor shall provide reports on changes in the Project Budget, and shall otherwise comply with the requirements of paragraph 2A.1.3.
- 2A.2.12 With respect to equipment delivery and installation, the Contractor shall, along with the Owner and the Consultant, review the equipment procurement documents and make recommendations as to the delivery and installation of equipment, and shall review with and provide advice to the Owner in order to assist the Owner and avoid delays with respect to equipment delivery and installation. The Contractor shall arrange for the delivery, storage, protection and security of Products, systems and equipment which are to become part of the Project.
- 2A.2.13 Contractor shall provide all necessary resources to co-ordinate, supervise and direct the Work in order to secure compliance with the Contract.
- 2A.2.14 Maintain full and complete accounting records and afford the Owner Open Book access to those records as provided in this Contract at all reasonable times."

- 3.5.3 Add new GC 2A.3, "CONSTRUCTION MANAGEMENT SERVICES POST CONSTRUCTION", as follows:

**"GC 2A.3 CONSTRUCTION MANAGEMENT SERVICES POST CONSTRUCTION**

- 2A.3.1 If not otherwise provided for under this Contract, the Contractor shall provide the services described in this GC 2A.3 during the post-construction phase of the Project.
- 2A.3.2 Obtain and submit to the Consultant all required equipment and product warranties and guarantees, including extended warranties, certificates, testing and balancing reports, distribution system diagrams, maintenance and operating instructions, spare parts, maintenance manuals and materials, and all other materials and/or documents required for the Project and pursuant to the terms of the Contract.
- 2A.3.3 Conduct deficiency inspections and carry out the correction of all deficiencies. The Contractor shall implement a deficiency correction program for the Project and shall manage the closeout process in relation to each of Building A Construction, Garage Construction so as to obtain, in a timely manner, inspections and approvals, including interim and final occupancy permits, from the authorities having jurisdiction. The Contractor shall ensure the completeness and delivery of maintenance manuals, instructions and as-built or record documents. The Contractor shall assist the Owner in the development and delivery of a commissioning plan. To the extent that this Contract does not provide direction respecting closeout, the Contractor shall employ the closeout procedures outlined in OAA/OGCA Document #100, which procedure prescribes the minimum standards for closeout. Where the Contract calls for more extensive or strict procedures on closing out the Project, the more strict or extensive procedures shall apply.
- 2A.3.4 Co-operate with the Owner and the Owner's commissioning agent in developing the necessary procedures and plans to ensure the orderly implementation of the building engineering systems."

**SC 3.6 GC 3.0 SUBMITTALS**

- 3.6.1 Add a new GC 3.0 immediately before GC 3.1 as follows:

**"GC 3.0 SUBMITTALS**

- 3.0.1 Within ten (10) Working Days after execution of this Contract, the Contractor shall submit to the Owner:
- .1 evidence of the Contractor's compliance with workers' compensation legislation at the Place of the Work, including payments due thereunder;

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- 3.5.3 If at any time it should appear to the Owner or the Consultant that the actual progress of the Work is behind the Project Schedule, or if the Contractor has given notice of any variation or slippage in the Project Schedule, the Contractor shall produce and present to the Owner and the Consultant, for their review and approval, a recovery plan demonstrating how the recovery of the Project Schedule can be achieved."

**SC 3.9 GC 3.6 CONSTRUCTION SAFETY**

- 3.9.1 Add new paragraph 3.6.2 as follows:

"3.6.2 The Contractor hereby represents and warrants to the Owner that appropriate health and safety instruction and training have been provided and/or will be provided to the Contractor's employees, Subcontractors and Suppliers attending on the Project site. The Contractor also undertakes to provide such health and construction safety instruction and training to the Owner's representatives."

**SC 3.10 GC 3.7 SUPERVISOR**

- 3.10.1 Delete GC 3.7 and replace it with the following:

**"GC 3.7 PROJECT TEAM**

- 3.7.1 The Contractor represents that the Project Team is experienced and competent to carry out the Project. The Contractor agrees that no member of the Project Team will be removed or replaced during the Project without the approval of the Owner. Any replacement representative shall be subject to approval of the Owner, acting reasonably. Unless otherwise agreed in writing, the Contractor's superintendent and supervisor shall devote his or her full time during the working hours to the Project and shall remain at the Place of the Work until Substantial Performance of the Work.
- 3.7.2 Should the superintendent, supervisor or any member of the Project Team prove to be unacceptable to the Owner, the Owner shall give written notice to the Contractor who shall, within 5 days of receipt of the written notice, make arrangements to appoint a replacement, subject to the approval of the Owner.
- 3.7.3 The supervisor shall represent the Contractor at the Place of the Work and shall have full authority to act on written instructions given by the Consultant and the Owner. Notices and instructions given to the supervisor by the Consultant or the Owner shall be held to have been received by the Contractor."

**SC 3.11 GC 3.8 SUBCONTRACTORS AND SUPPLIERS**

- 3.11.1 Add new paragraphs 3.8.6, 3.8.7, 3.8.8 and 3.8.9 as follows:

"3.8.6 The Contractor agrees not to change Subcontractors or Suppliers without the prior written approval of the Owner.

3.8.7 Notwithstanding paragraph 3.8.4 the Owner may, in its sole discretion, assign to the Contractor its obligations under any contract for Work or services or Products required on the Project that has been pre-bid or pre-negotiated by the Owner, and the Contractor shall accept such assignment, subject to the following: (1) the unpaid contract value of each such assigned contract shall be considered Cost of the Work; (2) each assigned contractor or vendor shall agree to be bound by the Contractor's workplace rules and regulations; (3) each assigned contractor must be accepted by the Contractor.

3.8.8 Except in the event of the assignment of a Subcontractor or Supplier contract as provided herein, nothing contained in the Contract Documents shall create a contractual relationship between a Subcontractor or its subcontractors, Suppliers or their agents, employees or other persons performing any of the Work, and the Owner.

3.8.9 Contractor agrees to include in each of the Subcontractor and Supplier contracts a clause permitting the Contractor to assign such contracts to the Owner or such other person as the Owner may direct. Such clause shall be reviewed and approved by the Owner prior to insertion in the subcontracts entered into by the Contractor."

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acknowledges and agrees that, throughout this Contract, the Contractor's obligations, duties and responsibilities shall be interpreted in accordance with this standard. The Contractor shall exercise the same standard of care, skill, judgment and diligence in respect of any Products, Subcontractors, Suppliers, personnel or procedures which it may recommend to the Owner or employ on the Project."

**SC 3.16 GC 3.16 CONTRACTOR USE OF PERMANENT EQUIPMENT OR SYSTEMS**

- 3.16.1 Add a new GC 3.16, "CONTRACTOR USE OF PERMANENT EQUIPMENT OR SYSTEMS", as follows:

**"GC 3.16 CONTRACTOR USE OF PERMANENT EQUIPMENT OR SYSTEMS**

- 3.16.1 With the prior written approval of the Owner, the Contractor may make use of elements of the mechanical and electrical systems or equipment comprising a permanent part of the Work for the purpose of providing heat or power to the Project during the final stages of construction. In such event, and before applying for any Substantial Performance of the Work, the Contractor shall clean and make good, to the satisfaction of the Consultant, such systems and equipment as it had been permitted to use."

**SC 3.17 GC 4.1 CASH ALLOWANCES**

- 3.17.1 Delete paragraph 4.1.6 and replace it with the following:

- "4.1.6 Where the actual cost of the Work under a cash allowance exceeds the amount of the allowance, a Change Order shall be issued to compensate the Contractor for any excess costs incurred and substantiated; however, there shall be no increase in the Contractor's Fee."

**SC 3.18 GC 5.2 ACCOUNTING AND AUDIT**

- 3.18.1 Delete paragraphs 5.2.1 and 5.2.2 and replace them with the following:

- "5.2.1 The Contractor shall keep such full and detailed accounts of all material, Products and labour used in the Work as shall be necessary for proper financial management under this Contract, and as may be reasonably required from time to time by the Owner.

- 5.2.2 The Contractor shall permit the Owner and its accountants and/or auditors to have access at all reasonable times to all records, correspondence, memoranda, instructions, drawings, account books, invoices, cancelled cheques, receipt vouchers, payrolls and other records relating to the Work in order to verify the cost, progress and character of the Work. The Contractor shall preserve, at its cost, all such records for at least three (3) years from the date of final payment.

- 5.2.3 Without limiting the generality of this GC 5.2, its provisions shall apply to those elements of the Work and/or the Project which are subject to Open Book."

**SC 3.19 GC 5.2A APPLICATIONS FOR PAYMENT FOR PRE-CONSTRUCTION SERVICES**

- 3.19.1 Add a new GC 5.2A – APPLICATIONS FOR PAYMENT FOR PRECONSTRUCTION SERVICES as follows:

**"GC 5.2A APPLICATIONS FOR PAYMENT FOR PRE-CONSTRUCTION SERVICES**

- 5.2A.1 Applications for payment for Pre-Construction Services as provided in Article A-7 of the Agreement may be made monthly as the Pre-Construction Services progress.

- 5.2A.2 Applications for payment shall be submitted on the last day of the month for which the amount applied for relates, and by no later than the first day of the month following. The amount applied for shall be a portion of the Contractor's Fee for Pre-Construction Services applicable to the Pre-Construction Services performed in relation to Building A, and as stipulated in paragraph 5.2 of Article A-5 of the Agreement. Each application for payment shall include the following:

- .1 the Contractor's statement of the amount of the fee applied for and in relation to which part of the Project;
- .2 evidence of compliance with workers' compensation legislation at the Place of the Work, including payments due thereunder;

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- "5.4.1 The Consultant will issue to the Owner, no later than 10 days after the receipt of a complete and accurate application for payment from the Contractor submitted in accordance with GC 5.2A – APPLICATIONS FOR PAYMENT FOR PRE-CONSTRUCTION SERVICES or GC 5.3 – APPLICATIONS FOR PROGRESS PAYMENT, a certificate for payment in the amount applied for or in such other amount as the Consultant determines to be properly due. The obligation of the Consultant to consider an application for payment does not arise until a complete and accurate application has been submitted by the Contractor. If the Consultant determines an application is incomplete or inaccurate, the Consultant shall immediately notify the Contractor. If the Consultant amends an application, the Consultant will promptly notify the Contractor in writing giving reasons for the amendment."
- 3.21.2 Amend paragraph 5.4.2 by inserting the words "Subject to paragraph 5.4.1," at the beginning of that paragraph. Further amend paragraph 5.4.2 by deleting the words "5 days" and substituting "the end of the month following the month for which the application is made, and". Further amend paragraph 5.4.2 by adding the following sentence to the end of that paragraph:

"However, the Owner shall not make any payment unless the Contractor provides evidence of the Contractor's compliance with workers' compensation legislation at the Place of the Work at the time that payment is made or is to be made."

**SC 3.22 GC 5.5 SUBSTANTIAL PERFORMANCE OF THE WORK**

- 3.22.1 Amend paragraph 5.5.1 by inserting the following to the beginning of that paragraph:
- "The parties acknowledge and agree that Substantial Performance of the Work will be determined separately for Building A Construction, without regard to the state of completion of the other Work."
- 3.22.2 Delete paragraph 5.5.4 and replace it with the following:
- "5.5.4 Immediately following the issuance of a certificate referred to in paragraph 5.5.3 the Contractor, in consultation with the Consultant, will establish a date for completing the Building A Construction, as the case may be."
- 3.22.3 Add a new paragraph 5.5.5 as follows:
- "5.5.5 The Contractor shall prepare and submit to the Consultant and the Owner within thirty (30) days following the date of Substantial Performance of the Work of Building A Construction, and in advance of the application for final payment, all of the following:
- .1 all specified maintenance and operating manuals and instructions;
  - .2 distribution system diagrams and testing and balancing reports;
  - .3 spare parts and materials (if any);
  - .3 all specified warranties, guarantees and certificates;
  - .4 shop drawings and as-built drawings;
  - .5 a written statement that the Work has been performed to the requirements of the Contract Documents, approved changes in the Work, Consultant's written instructions, and modifications indicated by the authorities having jurisdiction; and
  - .6 any other materials or documentation required under the Contract.
- The Owner may withhold an amount of \$10,000 in relation to Building A Construction, until the Contractor has complied with its obligations under this paragraph."

**SC 3.23 GC 5.6 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK**

- 3.23.1 Amend paragraph 5.6.1 by replacing the words "the certificate" in line 1 with the words "a certificate". Further amend paragraph 5.6.1 by adding the following sentence to the end of that paragraph:

**SC 3.26 Intentionally left blank.****SC 3.27 GC 6.1 CHANGES**

## 3.27.1 Amend paragraph 6.1.2 by adding the following to the end of that paragraph:

"This requirement is of the essence and it is the express intention of the parties that any claims by the Contractor for a change in the Contract Price, the Contract Time and/or the Contract shall be barred unless there has been strict compliance with Part 6 – CHANGES IN THE WORK. No course of conduct or dealing between the parties, no express or implied acceptance of alterations or additions to the Work, and no claims that the Owner has been unjustly enriched by any alteration or addition to the Work, whether in fact there is any such unjust enrichment or not, shall be the basis of a claim for additional payment under this Contract or a claim for any extension of the Contract Time, or a claim for an amendment to the Contract. Notwithstanding the foregoing, under circumstances of expediency the Contractor may proceed with a change in the Work without first obtaining a Change Order or a Change Directive where it has received from the Owner some form of written or e-mail direction agreeing to a change in the Contract Price, the General Requirements Cost, the Contract Time or the Contract, in which case such change and the value of such change, if any, will be determined pursuant to GC 6.2 – CHANGE ORDER."

## 3.27.2 Add new paragraphs 6.1.4 and 6.1.5 as follows:

- 6.1.4 The Contractor agrees that its activities related to construction co-ordination, including but not limited to site conditions, site co-ordination, and the co-ordination of Subcontractors and Suppliers, including the matters referred to in paragraphs 3.1.3 and 3.2.3, shall not constitute a change in the Work and shall not entitle the Contractor to a Change Order and shall not represent a cost to the Owner.
- 6.1.5 The Consultant from time to time may issue Supplemental Instructions to clarify drawings, specifications or items of Work. The Contractor shall not be permitted to apply costs against these Supplemental Instructions. If the Contractor believes a Supplemental Instruction will result in either a change to the Contract Price or the Contract Time, the Contractor shall immediately advise the Owner and Consultant and await further instructions."

**SC 3.28 GC 6.2 CHANGE ORDER**

## 3.28.1 Delete paragraph 6.2.1 and replace it with the following:

- 6.2.0 Where a change in the Work is proposed or required, the Consultant shall provide a notice describing the proposed change in the Work to the Contractor. The Contractor shall notify the Consultant if, as a result of the proposed change, it will claim an adjustment to the Contract Price or to the Contract Time. The Contractor shall provide a written explanation and full detail, including costing, for any adjustment which it intends to claim.
- 6.2.1 The value of a change shall be determined in one or more of the following methods as directed by the Consultant:
  - .1 by estimate and acceptance of a lump sum;
  - .2 by unit prices established in the Contract or subsequently agreed upon. Unit prices shall include overhead, profit, and other reasonable charges and shall be the total cost to the Owner;
  - .3 by actual credits and cost to the Owner plus the following mark-ups:
    - (1) on work performed by a Subcontractor's or Supplier's own forces, the Subcontractor or Supplier may charge a maximum of 5% cumulative percentage for overhead and profit;
    - (2) on work performed by sub-subcontractors or sub-suppliers, the sub-subcontractors or sub-suppliers will be permitted to charge a maximum of 5% cumulative percentage for overhead and profit. The Subcontractor or Supplier may then charge a maximum of 5% cumulative percentage for overhead and profit on work performed by the sub-subcontractors and the sub-suppliers.

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entitled to recover the additional fixed lump sum of \$7,000 per week from the 549<sup>th</sup> day until the date of Substantial Performance of the Work of Building A Construction."

## 3.30.3 Add new paragraphs 6.5.6, 6.5.7 and 6.5.8 as follows:

- 6.5.6 The Contractor shall be responsible for the care, maintenance and protection of the Work in the event of any suspension of construction as a result of a delay described in paragraphs 6.5.1, 6.5.2 or 6.5.3. In the event of such suspension, the Contractor shall be reimbursed by the Owner for the reasonable costs incurred by the Contractor for such care, maintenance and protection, but excluding the costs of the Contractor's head office personnel.
- 6.5.7 The Contractor shall take all reasonable steps to reschedule the Work and to minimize the effect of delay to the Owner and to the Project. Where the Contractor has failed to take all reasonable steps to avoid or minimize delay and mitigate costs, the extension of the Contract Time and/or any adjustments pursuant to paragraphs 6.5.1, 6.5.2 and/or 6.5.3 may be reduced accordingly.
- 6.5.8 Without limiting the obligations of the Contractor described in GC 3.2 – CONSTRUCTION BY OWNER OR OTHER CONTRACTORS or in GC 3.6 – CONSTRUCTION SAFETY, the Owner may, by notice in writing, direct the Contractor to stop the Work where the Owner determines that there is an imminent risk to the safety of persons or property at the Place of the Work. In the event that the Contractor receives such notice, it shall immediately stop the Work and secure the Project site."

**SC 3.31 GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK, SUSPEND THE WORK OR TERMINATE THE CONTRACT**

## 3.31.1 Add a new paragraph 7.1.6A immediately after paragraph 7.1.6 as follows:

"7.1.6A The Owner may terminate all or any part of the Contract at any time for any reason by giving notice in writing to that effect to the Contractor. In such event the Owner shall pay to the Contractor:

- .1 the proportionate part of the Contractor's Fee for Pre-Construction Services and Construction Management Services earned up to the effective date of termination; plus
- .2 if the effective date of termination is after the issuance of a Notice to Proceed, the Cost of the Work performed up to the effective date of termination; plus
- .3 If the effective date of termination is after the issuance of a Notice to Proceed, the Contractor's reasonable demobilization costs, to the extent not already included in paragraph 7.1.6A.2,

but always excluding head office personnel and overhead costs, all consequential, indirect or special damages, and all claims for loss of profit or opportunity, whether such costs, damages or claims are made and/or claimed by the Contractor or any Subcontractor or Supplier. The Owner shall not be liable to the Contractor for any claims, costs or damages or any other amount whatsoever other than as set out in this paragraph, and the compensation described in this paragraph shall be the total compensation payable to the Contractor, if the Owner terminates all or any part of the Contract as provided in this paragraph 7.1.6A."

**SC 3.32 GC 7.2 CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT**

## 3.32.1 Amend paragraph 7.2.3.2 by adding the following words to the end of that paragraph: "except where the parties have agreed to extend the time for the Consultant to do so".

## 3.32.2 Delete paragraph 7.2.5 and replace it with the following:

- "7.2.5 If the default cannot be corrected within the 5 Working Days specified in paragraph 7.2.4, the Owner shall be deemed to have cured the default if it:
- .1 commences and is diligently proceeding with the correction of the default within the specified time; and
  - .2 provides the Contractor with an acceptable schedule for such correction; and

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.3 rectify all material damage to the property of the Owner and others."

**SC 3.35 GC 10.1 TAXES AND DUTIES**

- 3.35.1 Add new paragraphs 10.1.2 and 10.1.3 as follows:

- 10.1.2 The Owner shall be entitled to all available refunds or rebates of customs, taxes and duties, and the Contractor shall cooperate with the Owner in ascertaining the amount of such refunds or rebates and if necessary claim on its own behalf and transfer to the Owner, or facilitate a direct claim by the Owner, for any such available refunds or rebates.
- 10.1.3 When an exemption or recovery of government sales taxes, custom duties or excise taxes or Value Added Taxes is applicable to the Contract, the Contractor shall at the request of the Owner (or its agent) assist, join in or make application for any exemption, recovery or refund of all such taxes or duties, and all amounts recovered or exemptions obtained shall be for the sole benefit of the Owner. The Contractor agrees to endorse over to the Owner any cheques received from the Federal and Provincial Government as may be required to implement the foregoing."

**SC 3.36 GC 10.2 LAWS, NOTICES, PERMITS, AND FEES**

- 3.36.1 Amend paragraph 10.2.4 by adding the words, "Subject to paragraph 3.4.1 of GC 3.4 – DOCUMENT REVIEW," to the beginning of the paragraph.

**SC 3.37 GC 10.4 WORKERS' COMPENSATION**

- 3.37.1 Amend paragraph 10.4.1 in the first and second lines by deleting the words "and the issuance of the final certificate for payment" and replacing them with the words "and with all applications for payment, including the application for final payment".

**SC 3.38 GC 11.1 INSURANCE**

- 3.38.1 Amend paragraph 11.1.1 by inserting the following after the words "GC 11.1 – INSURANCE" in the second line of that paragraph:

", except for the "all risks" property insurance specified in paragraph 11.1.1.4(1)."

- 3.38.2 Amend paragraph 11.1.1.1 by deleting the number "\$2,000,000" in the second line of that paragraph and replacing it with the number "\$5,000,000".

- 3.38.3 Add a new paragraph 11.1.1A immediately following paragraph 11.1.1 as follows:

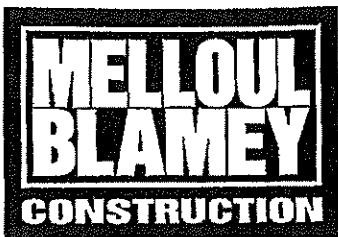
"11.1.1A The Owner shall provide, maintain and pay for builders risk and wrap up liability insurance coverages, particulars of which have been provided to the Contractor. It is understood that the Owner's wrap up liability insurance policy shall be primary to the Contractor's general liability insurance policy to be provided pursuant to paragraph 11.1.1.1."

**SC 3.39 GC 11.2, BONDS**

- 3.39.1 Delete paragraph 11.2.1 in its entirety and replace it with the following:

"11.2.1 The Contractor shall provide and deliver to the Owner or arrange for the benefit of the Owner the following surety bonds:

- .1 if and when requested by the Owner, a performance bond covering 50% of the Contractor's Fee;
- .2 for those Subcontractor and Supplier contracts which the Owner may direct, a fifty percent (50%) performance bond, such bond to provide that the Owner is named as a "co-obligee" or additional obligee along with the Contractor, and all such original bonds to be delivered to the Owner."



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HONESTY • INTEGRITY • PRIDE OF WORKMANSHIP

July 10, 2013

### List of Documents (Tender Package #3) Phillip Street Development – Building A

Consultant	Document Title	Date	No. of Pages
<b>Architectural Specification</b> McKnight Charron, Laurin Inc. Architects	Tender Package #3 - Specification	April 24, 2013	149
<b>Mechanical Specification</b> EMCAD Consulting Engineers (1995) Inc. EMCAD Consulting Engineers (1995) Inc.	Mechanical Specification Sprinkler Specification	March 22, 2013	269 35
<b>Electrical Specification</b> EMCAD Consulting Engineers (1995) Inc.	Electrical Specification	March 22, 2013	93
<b>Clarifications</b> Melloul-Blamey Construction Inc. Melloul-Blamey Construction Inc. Melloul-Blamey Construction Inc.	Tender Clarification No. 1 Tender Clarification No. 2 Tender Clarification No. 3	May 6, 2013 May 10, 2013 May 10, 2013	1 1 1
<b>Addendum</b> McKnight Charron Laurin Inc. Architects	Addendum #1 - Tender Package #3	May 21, 2013	11

A2.36	Suite Plan 6 – 20 <sup>th</sup> Floor Tower A	Apr. 24 2013
A2.37	Lower Level Reflected Ceiling Tower A	Apr. 24 2013
A2.38	Main Floor Reflected Ceiling Tower A	Apr. 24 2013
A3.1	North & South Elevations Tower A	Apr. 24, 2013
A3.2	East Elevation Tower A	Apr. 24, 2013
A3.3	West Elevation Tower A	Apr. 24, 2013
A4.1	Cross Sections Tower A	Apr 24, 2013
A4.2	Sections and Details Tower A	Apr 24, 2013
A4.3	Sections Tower A	Apr 24, 2013
A4.4	Sections and Details Tower A	Apr 24, 2013
A4.5	Sections and Details Tower A	Apr 24, 2013
A4.6	Sections and Details Tower A	Apr 24, 2013
A4.7	Sections and Details Tower A	Apr 24, 2013
A4.8	Sections and Details Tower A	Apr 24, 2013
A4.9	Sections and Details Tower A	Apr 24, 2013
A4.10	Sections and Details Tower A	Apr 24, 2013
A4.11	Sections and Details Tower A	Apr 24, 2013
A4.12	Section's and Details Tower A	Apr 24, 2013
A4.13	Sections and Details Tower A	Apr 24, 2013
A4.14	Sections and Details Tower A	Apr 24, 2013
A4.15	Sections and Details Tower A	Apr 24, 2013
A4.16	Sections and Details Tower A	Apr 24, 2013
A4.17	Sections and Details Tower A	Apr 24, 2013
A4.18	Sections and Details Tower A	Apr 24, 2013
A4.19	Sections and Details Tower A	Apr 24, 2013
A4.20	Sections and Details Tower A	Apr 24, 2013
A4.21	Sections and Details Tower A	Apr 24, 2013
A4.22	Sections and Details Tower A	Apr 24, 2013
A4.23	Sections and Details Tower A	Apr 24, 2013
A6.1	Door Schedule & Elevations Tower A	Apr. 24 2013
A6.2	Finish Schedule Tower A	Apr 24 2013
A6.3	Lower Level Window Schedule	Apr. 24 2013
A6.4	Mail Level Window Elevations Tower A	Apr. 24 2013
A6.5	3 <sup>rd</sup> , 4 <sup>th</sup> and 5 <sup>th</sup> Floor Window Elevations – Tower A	Apr. 24 2013
A6.6	18 <sup>th</sup> Floor Window Elevations Tower A	Apr. 24 2013
A6.7	Nineteenth Floor Window Elevations – Tower A	Apr. 24 2013
A6.8	Twentieth Floor Window Elevations – Tower A	Apr. 24 2013
A7.1	Interior Elevations & Details Tower A	Apr, 24 2013

**STRUCTURAL**

S0-01	Cover Sheet	Mar 15,2013
S1-A01	Foundation Plan Between Building A&C	Mar 15,2013
S1-A02	Building A Foundation Plan	Mar 15,2013
S1-A03	Garage Roof Between Building A&C Framing Plan	Mar 15,2013
S1-A04	Building A Level 2 Floor Framing Plan	Mar 15,2013
S1-A05	Building A Level 3 Floor Framing Plan	Mar 15,2013
S1-A06	Building A Level 4 Floor Framing Plan	Mar 15,2013
S1-A07	Building A (Typ.)Level 5-Level 17 Floor Framing Plan	Mar 15,2013
S1-A08	Building A Level 18-Level 20 Floor Framing Plan	Mar 15,2013
S1-A09	Building A Mech. Floor Framing Plan	Mar 15,2013
S1-A10	Building A Roof Framing Plan	Mar 15,2013
S2-A01	Beams Schedule Building A	Mar 15,2013
S2-A02	Beams Schedule Building A	Mar 15,2013
S2-A03	Column Schedule – Building A and Area	Mar 15,2013
S3-A01	Wall Elevations Building A	Mar 15,2013
S3-A02	Wall Elevations Building A	Mar 15,2013
S3-A03	Wall Elevations Building A	Mar 15,2013
S3-A04	Wall Elevations Building A	Mar 15,2013

FP1.2	Main Floor Plan – Fire Protection	Mar 25'13
FP1.3	3 <sup>rd</sup> Floor Plan – Fire Protection	Mar 25'13
FP1.4	4 <sup>th</sup> Floor Plan – Fire Protection	Mar 25'13
FP1.5	Typical Floor Plan – Fire Protection	Mar 25'13
FP1.6	20 <sup>th</sup> Floor Plan – Fire Protection	Mar 25'13
FP1.7	Penthouse/Roof Plan – Fire Protection	Mar 25'13
FP2.1	Risers & Details – Fire Protection	Mar 25'13
<b>ELECTRICAL</b>		
E0.1	Site Plan – Electrical	Mar 25'13
E0.2	Parking Garage – Electrical	Mar 25'13
E1.1	Lower Level Floor Plan – Electrical	Mar 25'13
E1.2	Main Floor Plan – Electrical	Mar 25'13
E1.3	3 <sup>rd</sup> Floor Plan – Electrical	Mar 25'13
E1.4	4 <sup>th</sup> Floor Plan – Electrical	Mar 25'13
E1.5	Typical Floor Plan – Electrical	Mar 25'13
E1.6	20 <sup>th</sup> Floor Plan – Electrical	Mar 25'13
E1.7	Penthouse/Roof Plan – Electrical	Mar 25'13
E2.1	Suite Plans – Electrical	Mar 25'13
E2.2	Suite Plans – Electrical	Mar 25'13
E3.1	Distribution Diagram – Electrical	Mar 25'13
E3.2	Fire Alarm Diagram – Electrical	Mar 25'13
E3.3	Communication Risers – Electrical	Mar 25'13
E3.4	Schedules – Electrical	Mar 25'13
E3.5	Legends & Co Det. Specs – Electrical	Mar 25'13

JD PHILLIPS TOWER 'A'

REVISED JANUARY 17th 2014

MELLOUL-BLAMEY CONSTRUCTION INC.....Page 2

Any and all savings achieved from the baseline estimate throughout the construction period will belong entirely to the owner. We do not charge any overall markup fees on change orders, and we do not profit additionally from any hidden schemes negotiated with subcontractors.

If the project duration is extended past beyond the proposed duration of 17 months and at no fault of our own, we would reserve the right for further compensation at a rate of \$28,000 per month for office overhead and profit. However the 1<sup>st</sup> month would be free of charge. The charges would be pro-rated based on actual weeks. *In the event the construction period were to exceed 18 months from the date of full commencement, you will notify the owner and obtain approval on additional CM fees prior to occurred.*

3.0 Typical Site Personnel Rates (excl. HST) - not included in fees above

Project Superintendent (required for full duration of each project)	\$2,650/week
Assistant Superintendent (when required)	\$2,550/week
Foreman / Site Safety Officer (when required)	\$2,450/week
General Superintendent (required for full duration, billed only once per month)	\$500/month
Safety Auditor	\$300/Audit
Carpenter** (when required)	\$ 59.50/hour
Carpenter Lift Operator** (when required)	\$ 54.50/hour
Labourer** (when required)	\$ 49.50/hour
Material Handling** (when required)	\$ 44.50/hour
Housekeeping** (when required)	\$ 39.50/hour

\*\*Based on a standard 44 hour work week, overtime rates charged as per employment standards act in Ontario

Labour Item for Division 1	Rate Category
Temp Services	L
Hydro Charges	L
Job Office Facilities	C
Temp Fencing	C,L
Layout	C
Job Sign	L
Hoarding	C
Concrete Protection	L
Masonry Protection	L
Other Protection	L
Heaters & Fuel	L
Temp Heat	L
Snow Removal	H
Temp Roads	L
Dewatering	L
Tools	L
Safety	C
Rails and Hoarding	C
Tower Cranes	C
Material Handling	MH
Lift Operator	LO
Equipment Operator	C
General Clean Up	H
Rubbish	H
Road Cleaning	H
Warranty	C

4.0 Typical General Costs (excl. HST) - not included in fees above

Site Truck (max 1 vehicle)	\$900/month/truck
Site Communications, Phone, Fax, Mobile, High Speed	\$700/month
Field Office Supplies	\$400/month
Liability Insurance, if owner provides wrap up policy	\$0.34 per \$1,000

5.0 Reimbursable Costs



## Monthly Tool Rental / Shop Supplies Report

This Report must be filled out by the Jobsite Superintendent on all Construction Management Projects on a regular basis and must be handed in to the Head Office on each month's end for invoicing purposes.

If recording a monthly rate do not record the weekly rate for the same tool. If more than one of the same tool is being used simultaneously, record that tool in the appropriate column and multiply by the number of tools.  
(i.e. - 2 compressors rented out for one week = 2 weeks)

Project Number:

Project Name:

Month Ending:

Equipment	# of Days	Rate / Day	# of Weeks	Rate / Week	# of Months	Rate / Month	Total Rent	Cost Code
<b>Compressors</b>								
Compressor - Elec.		\$ 25.00		\$ 100.00		\$ 300.00	\$ -	
Compressor - Gas		\$ 30.00		\$ 110.00		\$ 350.00	\$ -	
<b>Air Tools</b>								
Brad / Finish Nailer		\$ 25.00		\$ 100.00		\$ 300.00	\$ -	
Framing Nailer ..		\$ 30.00		\$ 110.00		\$ 320.00	\$ -	
<b>Compaction Equipment</b>								
Plate Tamper		\$ 30.00		\$ 125.00		\$ 380.00	\$ -	
<b>Concrete Equipment</b>								
Wheelbarrow		\$ 8.00		\$ 20.00		\$ 70.00	\$ -	
Concrete Finisher		\$ 45.00		\$ 180.00		\$ 540.00	\$ -	
<b>Saws</b>								
Quick Cut - Gas		\$ 40.00		\$ 125.00		\$ 375.00	\$ -	
Quick Cut - Elec.		\$ 40.00		\$ 125.00		\$ 375.00	\$ -	
Quick Cut - Dustless		\$ 80.00		\$ 250.00		\$ 750.00	\$ -	
<b>Vibrators</b>								
Vibrator - Gas		\$ 25.00		\$ 100.00		\$ 300.00	\$ -	
Vibrator - Elec.		\$ 25.00		\$ 100.00		\$ 300.00	\$ -	
Vibrator - Back pack		\$ 40.00		\$ 150.00		\$ 500.00	\$ -	
<b>Miscellaneous</b>								
Powder Actuated Tool		\$ 20.00		\$ 80.00		\$ 240.00	\$ -	
Core Drill w/ Core Bits		\$ 130.00		\$ 540.00		\$ 1,800.00	\$ -	
Grout / Concrete Mixer		\$ 25.00		\$ 100.00		\$ 300.00	\$ -	
<b>Earth Moving Equipment</b>								
Bobcat		\$ 160.00		\$ 640.00		\$ 1,900.00	\$ -	
Sweeper Attachment		\$ 130.00		\$ 500.00		\$ 1,700.00	\$ -	
4WD Gator		\$ 60.00		\$ 240.00		\$ 800.00	\$ -	
<b>Office Trailers / Storage</b>								
20' Office / Tool Trailer						\$ 500.00	\$ -	
32' Office Trailer						\$ 750.00	\$ -	
20' Sea Container						\$ 200.00	\$ -	
Washroom Trailer						\$ 700.00	\$ -	
Dump / Float Trailer		\$ 200.00		\$ 450.00		\$ 750.00	\$ -	
Knack Storage Box						\$ 100.00	\$ -	
<b>Welders</b>								
Cutting Torches		\$ 35.00		\$ 120.00		\$ 360.00	\$ -	
Electric Welder		\$ 45.00		\$ 180.00		\$ 540.00	\$ -	
Gas Welder		\$ 45.00		\$ 180.00		\$ 540.00	\$ -	
<b>Electric Tools</b>								
Hilti TE 6 / Equivalent		\$ 15.00		\$ 60.00		\$ 180.00	\$ -	
Hilti TE 76 / Equivalent		\$ 30.00		\$ 120.00		\$ 360.00	\$ -	

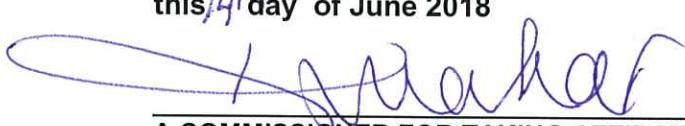
**Comments:**

Items marked (ea), (roll), (can), (case), (pair), with only a daily rate will be sold at the noted rate and not rented

### Total Monthly Rentals / Supplies

1

**This is Exhibit "AA" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

  
**A COMMISSIONER FOR TAKING AFFIDAVITS**

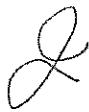
THE CONTRACT  
FOR  
PHILLIP STUDENT RESIDENCE PROJECT  
PHASE I  
IN WATERLOO, CANADA

BETWEEN  
CHINA EVERBEST DEVELOPMENT  
INTERNATIONAL LIMITED

AND  
MELLOUL-BLAMEY BUILDING CORP.

Contract No.: CED/MBBC/2014-001

22 JANUARY, 2014



# AGREEMENT BETWEEN CONTRACTORS AND SUBCONTRACTOR

This Agreement made on the 22<sup>nd</sup> day of January in the year 2014

by and between

China Everbest Development International Limited

hereinafter called the "Contractor"

and

Melloul-Blamey Building Corp.

hereinafter called the "Subcontractor"

The Contractor and Subcontractor agree as follows:

## ARTICLE A-1 THE WORK

1.1 The Work is comprised of the new construction of 2 distinct components; Building A (20 Storey Blair House) and Garage, both located at 256 Phillip Street, Waterloo, Ontario, Canada, N2L 6B6, details referring to the Technical Documents, for which McKnight Charron Laurin Inc. and Stephenson Engineering Ltd. are acting as and are hereinafter co-called the "Consultant".

1.2 The Contractor shall:

- .1 provide Pre-Construction Services in relation to the Work;
- .2 design, procure, construct and complete the Work and remedy any defects in the Work in accordance with the Contract Documents;
- .3 attain Substantial Performance of the Work within a period of Twenty (20) months from the Commencement Date, refer to Attachment 1 to the Agreement – PROJECT SCHEDULE, subject to adjustment in Contract Time as provided for in the Contract Documents.
- .4 do and fulfill everything indicated by this Agreement



## **ARTICLE A-2 AGREEMENTS AND AMENDMENTS**

- 2.1 The Contract supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the Work, including the documents that are not expressly listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS.
- 2.2 The Contract may be amended as provided in the Contract Documents or by written agreement of the two parties.

## **ARTICLE A-3 CONTRACT DOCUMENTS**

- 3.1 The following are the Contract Documents referred to in Article A-1 of the Agreement - THE WORK:
  - the Agreement between Contractor and Subcontractor,
  - the Definitions,
  - the Contract Conditions,
  - the Technical Documents
- 3.2 If there is a conflict within Contract Documents:
  - .1 The priority of documents, from highest to lowest, shall be
    - the Agreement between Contractor and Subcontractor,
    - the Definitions,
    - the Contract Conditions,
    - the Technical Documents
  - .2 drawings of larger scale shall govern over those of smaller scale of the same date,
  - .3 dimensions shown on drawings shall govern over dimensions scaled from drawings,
  - .4 later dated documents shall govern over earlier documents of the same type.

## **ARTICLE A-4 CONTRACT PRICE**

- 4.1 The Contract Price is U.S. Dollars Sixty One Million Three Hundred and Eighty Thousand Only (\$61,380,000), refer to Attachment 2 to the Agreement – PRICE TABLE.
- 4.2 The Contract Price shall be a lump sum fixed price and is not subject to adjust.



- 4.2 The Contract Price shall be a lump sum fixed price and is not subject to adjust.
- 4.3 Within the Contract Price, U.S. Dollars Five Million Eight Hundred Thousand (\$5,800,000) is Sub-Contractor's Management Fee.
- 4.4 All taxes, including but not limited to Value Added Taxes, withholding tax, and income tax, etc., imposed by the government of Canada (federal, provincial and any other level of government) are not included in the Contract Price, the Subcontract shall be responsible to pay the taxes imposed on him according to legislation and statutory regulations of Canada.
- 4.5 Except otherwise specified in this Contract, the Contract Price shall be made in US Dollars.

#### ARTICLE A-5 PAYMENT

5.1 Subject to the provisions of the Contract Documents, the Contractor shall:

- .1 make a Deposit with amount of U.S. Dollars Five Million Eight Hundred Sixty One Thousand and Nine Hundred Only (\$5,861,900) to the Subcontractor, within 21 working days after the Effective Date of the Contract. In the Deposit, amount of U.S. Dollars Two Million Thirty Thousand Only (\$2,030,000) shall be paid to the Subcontract with Canadian Dollars Two Million Two Hundred Thousand Only (C\$ 2,200,000, exchange rate: 1USD = 1.0837 CAD) instead.
- .2 make the progress payment with amount of the price of the completed part of the Work as stated in every Progress Report, the total progress payment is U.S. Dollars Fifty Five Million Five Hundred and Eighteen Thousand One Hundred Only (\$55,518,100), details referring to Part 5 of the Contract Conditions-PAYMENT.

5.2 Interest

- .1 Should either party fail to make payments as they become due under the terms of the Contract or in an award by arbitration or court, interest at one percent (1%) per annum above the prime rate on such unpaid amounts shall also become due and payable until payment. Such interest shall be compounded on a monthly basis. The prime rate shall be the lowest rate of interest quoted by the Royal Bank of Canada for prime business loans.
- .2 Interest shall apply at the rate and in the manner prescribed by paragraph 5.2.1 of this Article on the amount of any claim and for which the Contractor is



amount would have been due and payable under the Contract, had it not been in dispute, until the date it is paid.

#### **ARTICLE A-6 RECEIPT OF AND ADDRESSES FOR NOTICES**

6.1 Communications in writing will be addressed to the recipient at the address set out below. The delivery of a written communication will be by hand, by courier, by prepaid first class mail, or by facsimile or other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender. Communications in writing delivered in accordance with this paragraph will be deemed to have been received by the addressee on the date of delivery if delivered by hand or courier, or if sent by mail shall be deemed to have been received ten calendar days after the date of mailing, provided that if either such day is not a Working Day, then the communication shall be deemed to have been received on the Working Day next following such day. Communications in writing sent by facsimile or other form of electronic communication shall be deemed to have been received on the date of transmission provided that if such day is not a Working Day or if the written communication is received after the end of normal business hours on the date of its transmission at the place of receipt, then it shall be deemed to have been received at the opening of business at the place of receipt on the first Working Day next following the transmission thereof. An address for a party may be changed by written notice setting out the new address in accordance with this Article.

The Contractor at

Name of Contractor: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

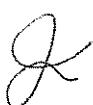
Facsimile number: +852 35650839

Email address: ekam03482002@yahoo.com

The Subcontractor at

Name of Subcontractor: Melloul-Blamey Building Corp.

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada



Faxsimile number: +1 226-647-1426

Email address: mbbcmgt@gmail.com

#### **ARTICLE A-7 LANGUAGE AND LAW**

- 7.1 The Contract is prepared in the English language, and the language for communication shall be the English language.
- 7.2 This Contract shall be interpreted, construed and governed by the law of Ontario province of Canada.

#### **ARTICLE A-8 SUCCESSION**

- 8.1 The Contract shall ensure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and permitted assigns.

#### **ARTICLE A-9 EFFECTIVE DATE**

- 9.1 This Contract will come into full force and effectiveness on the date of:
  - .1 signing of the Agreement between the Contractor and the Subcontractor;
  - .2 the Contractor issues the Notice to Proceed,whichever is the later.

#### **ARTICLE A-10 COMMENCEMENT DATE**

- 10.1 The Commencement Date will be the same date of the Effective Date of this Contract.

#### **ARTICLE A-11 TIME OF THE ESSENCE**

- 11.1 It is agreed that one of the reasons that the Subcontractor selected to execute this Contract is the Subcontractor's representation and warranty that it will attain Substantial Performance of the Work within the timeframes stipulated in paragraph 1.2.3 of Article A-1. The Subcontractor acknowledges that it has been advised by the Contractor that it is critical to the Contractor that the Work is completed within such timeframes. The Subcontractor agrees that time shall be of



the essence / the performance of the Subcontractor's obligations under this Contract.

In witness whereof the parties hereto have signed this Agreement and by the hands of their duly authorized representatives in four (4) original copies in the English language on the date appearing at the beginning. Each party shall hold two (2) original copies.

SIGNED AND DELIVERED

in the presence of:

CONTRACTOR

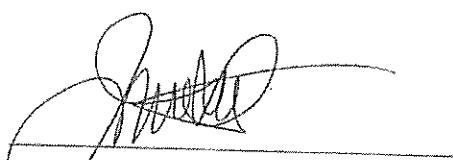
China Everbest Development International Limited



Zhang Zhiliang  
General Manager

SUBCONTRACTOR

Melloul-Blamey Building Corp.



Jennifer Xu  
President



## DEFINITIONS

The following Definitions shall apply to all Contract Documents.

1. Building A

Building A means a new approximately 20-storey commercial and residential condominium building, including related landscaping, to be constructed on the northwest corner of the Place of the Work and designated as Building A in the Contract Documents.

2. Change Directive

A Change Directive is a written instruction prepared by the Consultant and directing the Subcontractor to proceed with a change in the Work within the general scope of the Contract Documents prior to the Contractor and the Subcontractor agreeing upon adjustments in the Contract Price and the Contract Time.

3. Change Order

A Change Order is a written amendment to the Contract signed by the Contractor and the Subcontractor stating their agreement upon:

- a change in the Work;
- the method of adjustment or the amount of the adjustment in the Contract Price, if any; and
- the extent of the adjustment in the Contract Time, if any.

4. Commencement Date

The Commencement Date means the date stipulated in Article A-10 of the Agreement  
- COMMENCEMENT DATE.

5. Construction Equipment

Construction Equipment means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the Work but is not incorporated into the Work.

6. Consultant

The Consultant is the person or entity engaged by the Owner of the Project and identified as such in the Agreement. The Consultant is the Architect, the Engineer or entity licensed to practice in the province or territory of the Place of the Work. The term Consultant means the Consultant or the Consultant's authorized representative.

7. Contract

The Contract is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the Contract Documents and represents the entire agreement between the parties.

#### 8. Contract Documents

The Contract Documents consist of those documents listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS and amendments agreed upon in writing between the parties.

#### 9. Contract Price

The Contract Price is the amount stipulated in Article A-4 of the Agreement - CONTRACT PRICE.

#### 10. Contract Time

The Contract Time is the time stipulated in paragraph 1.2.3 of Article A-1 of the Agreement - THE WORK from commencement of the Work to Substantial Performance of the Work.

#### 11. Contractor

The Contractor is the person or entity identified as such in the Agreement. The term Contractor means the Contractor or the Contractor's authorized representative as designated to the Subcontractor in writing.

#### 12. Deposit

The Deposit means the first payment of the Contract Price, with the amount stipulated in Article A-5 of the Agreement- PAYMENT.

#### 13. Drawings

The Drawings are the graphic and pictorial portions of the Contract Documents, wherever located and whenever issued, showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, and diagrams.

#### 14. Garage

Garage means a new approximately 474-stall underground parking garage and related roads and access ways to be constructed at the Place of the Work to service Building A and other buildings to be constructed at the Place of the Work.

#### 15. Month

Month means 30 days.

#### 16. Notice in Writing

A Notice in Writing, where identified in the Contract Documents, is a written communication between the parties or between them and the Consultant that is transmitted in accordance with the provisions of Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

17. Notice to Proceed

Notice to Proceed means a written notice issued by the Contractor to the Subcontractor directing the Subcontractor to commence construction of the Work.

18. Owner

The Owner means JD Development Philip Street Limited. The term Owner means the Owner or the Owner's authorized agent or representative.

19. Place of the Work

The Place of the Work is the designated site or location of the Work identified in the Contract Documents.

20. Product

Product or Products means material, machinery, equipment, and fixtures forming the Work, but does not include Construction Equipment.

21. Project

The Project means the total construction contemplated of which the Work may be the whole or a part.

22. Progress Report

The Progress Report means the document entitled progress report, provided by the Subcontractor, showing the progress of construction of the Work.

23. Progress Certificate

The Progress Certificate means the document entitled progress certificate, issued by the Contractor to the Subcontractor, confirming the progress of construction of the Work performed by the Subcontractor.

24. Project Schedule

Project Schedule means a document entitled project schedule, prepared by the Subcontractor in accordance with the Contract.

25. Project Team

Project Team means the Subcontractor's personnel assigned to perform the Project.

26. Provide

Provide means to supply and install.

27. Shop Drawings

Shop Drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures, Product data, or other data which the Subcontractor provides to illustrate details of portions of the Work.

28. Specifications

The Specifications are that portion of the Contract Documents, wherever located and whenever issued, consisting of the written requirements and standards for Products, systems, workmanship, quality, and the services necessary for the performance of the Work.

29. Subcontractor

A Subcontractor is a person or entity identified as such in the Agreement. The term Subcontractor means the Subcontractor or the Subcontractor's authorized representative as designated to the Contractor in writing.

30. Subcontractor's Subcontractor

A Subcontractor's Subcontractor is a person or entity having a direct contract with the Subcontractor to perform a part or parts of the Work at the Place or the Work.

31. Substantial Performance of the Work

Substantial Performance of the Work is as defined in the lien legislation applicable to the Place of the Work. If such legislation is not in force or does not contain such definition, Substantial Performance of the Work shall have been reached when the Work is ready for use or is being used for the purpose intended and is so certified by the Consultant.

32. Supplemental Instruction

A Supplemental Instruction is an instruction, not involving adjustment in the Contract Price or Contract Time, in the form of Specifications, Drawings, schedules, samples, models or written instructions, consistent with the intent of the Contract Documents. It is to be issued by the Consultant to supplement the Contract Documents as required for the performance of the Work.

33. Supplier

A Supplier is a person or entity having a direct contract with the Subcontractor to supply Products.

**34. Technical Documents**

Technical Documents means the Technical Documents, included in the Contract for Philip Student Residence Project Phase I in Waterloo, Canada (contract No.: JD/CMEC/2013-001), and any further amendment to the same.

**35. Temporary Work**

Temporary Work means temporary supports, structures, facilities, services, and other temporary items, excluding Construction Equipment, required for the execution of the Work but not incorporated into the Work.

**36. Value Added Taxes**

Value Added Taxes means such sum as shall be levied upon the Contract Price by the Federal or any Provincial or Territorial Government, the collection and payment of which have been imposed on the Subcontractor by the tax legislation.

**37. Work**

The Work means the total construction and related services required by the Contract Documents.

**38. Working Day**

Working Day means a day other than a Saturday, Sunday, statutory holiday, or statutory vacation day that is observed by the construction industry in the area of the Place of the Work.

**39. Year**

Year means 365 days.

Attachment I to the Contract Conditions (Contract No. CED/MBBC/2014-001)

## FORECAST PAYMENT SCHEDULE

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

22 January, 2014

S/N	Date	Contents	Forecast Amount for Payments
1	Jan-14	Down payment	5,861,900.00
2	May-14		25,041,000.00
3	Jun-14		4,977,100.00
4	Jul-14		3,500,000.00
5	Aug-14		1,000,000.00
6	Sep-14		1,500,000.00
7	Oct-14		2,000,000.00
8	Nov-14		3,000,000.00
9	Dec-14		2,500,000.00
10	Jan-15		2,000,000.00
11	Feb-15		3,000,000.00
12	Mar-15		3,000,000.00
13	Apr-15		4,000,000.00
Sub-total for progress payments			55,518,100.00
Total (Contract Value)			61,380,000.00

Remark: The actual amount of each payment will subject to progress report. Other payment terms stated in the Part 5 of the Contract Conditions - PAYMENT.

## PRICE TABLE

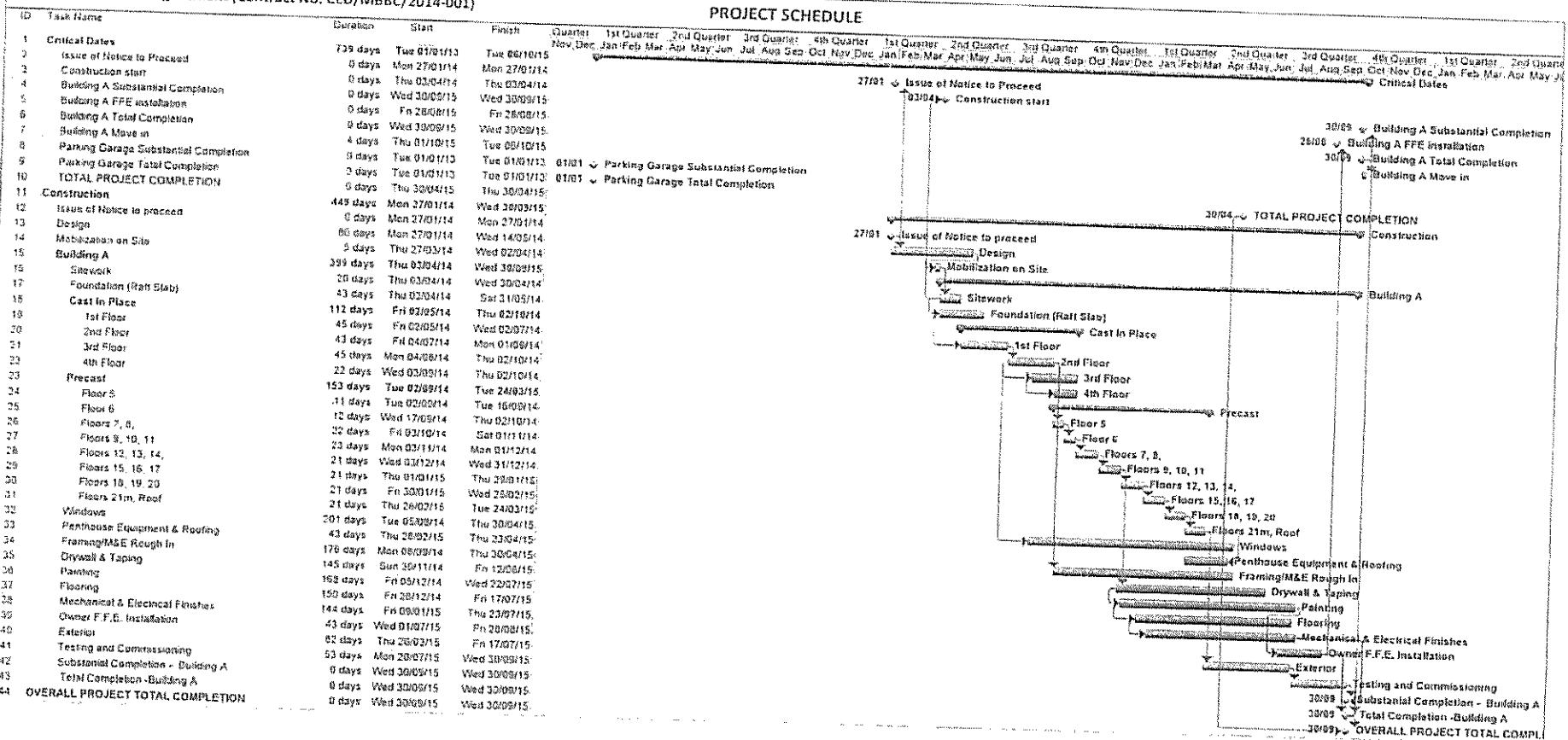
### PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

S/N	Description	Amount	Cost/ GLA/m2
1	Design		
1.1	Preliminary Design	1,360,000.00	74.61
1.2	Detail Design	930,000.00	51.02
	Sub-total 1. Design	2,290,000.00	125.63
2	FF & E		
2.1	Furniture, Fixtures & Equipment (FF&E)	1,800,000.00	98.75
	Sub-total 2. Procurement	1,800,000.00	98.75
3	Construction		
3.1	General Conditions	4,591,610.00	251.90
3.2	Site Work	2,072,500.00	113.70
3.3	Concrete	17,493,680.00	959.71
3.4	Masonry	451,600.00	24.78
3.5	Metals	522,800.00	28.68
3.6	Carpentry	1,414,315.00	77.59
3.7	Thermal & Moisture	2,594,900.00	142.36
3.8	Doors & Windows	2,963,300.00	162.57
3.9	Finishes	5,331,300.00	292.48
3.10	Specialities	371,000.00	20.35
3.11	Equipment	79,000.00	4.33
3.12	Funishing	14,800.00	0.81
3.13	Conveying Systems	1,321,500.00	72.50
3.14	Mechanical	7,281,700.00	399.48
3.15	Electrical	3,186,500.00	174.81
	Sub-total 3. Construction	49,690,505.00	2,726.05
4	Project Management	5,800,000.00	318.19
5	Owner's Scope	1,799,495.00	98.72
	Total Contract Value	61,380,000.00	3,367.35




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**Attachment 1 to the Agreement (Contract No. CED/MBBC/2014-001)**



		Critical	Slack	Rolled Up Critical	Inactive Summary	Start-only
Project Alpha Street Building A, Sutton		Critical Tasks	Stoppage	External Tasks	Manual Task	End
Date: Jan 2014		Summary	External Meetings	Duration-only	Finishing	0
SPLIT	Milestone	Project Summary	External Meetings	Manual Summary Rollup	Progress	
		Inactive Task	Inactive Milestone	Manual Summary	Deadline	
		Rolled Up Critical	Inactive Milestone	Manual Summary	Deadline	



## **CONTRACT CONDITIONS**

### **PART 1 GENERAL PROVISIONS**

#### **CC 1.1 CONTRACT DOCUMENTS**

- 1.1.1 The intent of the Contract Documents is to include the labor, Products and services necessary for the performance of the Work by the Subcontractor in accordance with these documents. It is not intended, however, that the Subcontractor shall supply products or perform work not consistent with, not covered by, or not properly inferable from the Contract Documents.
- 1.1.2 The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all.
- 1.1.3 Words and abbreviations which have well known technical or trade meanings are used in the Contract Documents in accordance with such recognized meanings.
- 1.1.4 References in the Contract Documents to the singular shall be considered to include the plural as the context requires.
- 1.1.5 Neither the organization of the Specifications nor the arrangement of Drawings shall control the Subcontractor in dividing the work among Subcontractor's Subcontractor and Suppliers.
- 1.1.6 The Contractor shall provide the Subcontractor, without charge, sufficient copies of the Contract Documents to perform the Work.
- 1.1.7 Models furnished by the Subcontractor at the Contractor's expense are the property of the Owner.

#### **CC 1.2 LAW OF THE CONTRACT**

- 1.2.1 The law of Ontario province of Canada shall govern the interpretation of the Contract.

#### **CC 1.3 RIGHTS AND REMEDIES**

- 1.3.1 Except as expressly provided in the Contract Documents, the duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.

*J. S. Ball*<sup>1</sup>



- 1.3.2 No action or failure to act by the Owner, Contractor, Consultant or Subcontractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

#### **CC 1.4 ASSIGNMENT**

- 1.4.1 Neither party to the Contract shall assign the Contract or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

### **PART 2 ADMINISTRATION OF THE CONTRACT**

#### **CC 2.1 AUTHORITY OF THE CONSULTANT**

- 2.1.1 The Consultant will have authority to act on behalf of the Owner and the Contractor only to the extent provided in the Contract Documents, unless otherwise modified by written agreement as provided in paragraph 2.1.2.
- 2.1.2 The duties, responsibilities and limitations of authority of the Consultant as set forth in the Contract Documents shall be modified or extended only with the written consent of the Owner, the Contractor and the Consultant.
- 2.1.3 If the Consultant's employment is terminated, the Owner shall immediately appoint or reappoint a Consultant and whose status under the Contract Documents shall be that of the former Consultant.

#### **CC 2.2 ROLE OF THE CONSULTANT**

- 2.2.1 The Consultant will provide administration of the Contract as described in the Contract Documents.
- 2.2.2 The Consultant will visit the Place of the Work at intervals appropriate to the progress of construction to become familiar with the progress and quality of the work and to determine if the Work is proceeding in general conformity with the Contract Documents.
- 2.2.3 The Consultant will provide at the Place of the Work, one or more project representatives to assist in carrying out the Consultant's responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the Subcontractor.

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- 2.2.4 The Consultant will promptly inform the Contractor of the date of receipt of the Subcontractor's applications for payment as provided in paragraph 5.3.1.1 of CC 5.3- PROGREE PAYMENT.
- 2.2.5 The Consultant will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the Work in accordance with the applicable construction safety legislation, other regulations or general construction practice. The Consultant will not be responsible for the Subcontractor's failure to carry out the Work in accordance with the Contract Documents. The Consultant will not have control over, charge of or be responsible for the acts or omissions of the Subcontractor, Subcontractor's Subcontractor, Suppliers, or their agents, employees, or any other persons performing portions of the Work.
- 2.2.6 Except with respect to Part 5 of the Contract Condition - PAYMENT, the Consultant will be, in the first instance, the interpreter of the requirements of the Contract Documents.
- 2.2.7 Matters in question relating to the interpretation of the Contract Documents shall be initially referred in writing to the Consultant by the party raising the question for interpretations and findings and copied to the other party.
- 2.2.8 Interpretations and findings of the Consultant shall be consistent with the intent of the Contract Documents. In making such interpretations and findings the Consultant will not show partiality to either the Owner or the Contractor.
- 2.2.9 The Consultant's interpretations and findings will be given in writing to the parties within a reasonable time.
- 2.2.10 With respect to claims for a change in Contract Price, the Consultant will make findings as set out in CC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.
- 2.2.11 The Consultant will have authority to reject work which in the Consultant's opinion does not conform to the requirements of the Contract Documents. Whenever the Consultant considers it necessary or advisable, the Consultant will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the Consultant to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the Consultant to the Subcontractor, the Subcontractor's Subcontractor, Suppliers, or their agents, employees, or other persons performing any of the Work.
- 2.2.12 During the progress of the Work the Consultant will furnish Supplemental

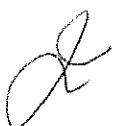
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Instructions to the Subcontractor with reasonable promptness or in accordance with a schedule for such instructions agreed to by the Consultant and the Contractor. If, in the opinion of the Subcontractor, a Supplemental Instruction involves an adjustment in the Contract Price or in the Contract Time, the Subcontractor shall, within five (5) Working Days of receipt of a Supplemental Instruction provide the Contractor and the Consultant with a written notice to that effect and await further instructions.

- 2.2.13 The Consultant will review and take appropriate action upon Shop Drawings, samples and other Subcontractor's submittals, in accordance with the Contract Documents.
- 2.2.14 The Consultant will prepare Change Orders and Change Directives as provided in CC 6.2 - CHANGE ORDER and CC 6.3 - CHANGE DIRECTIVE.
- 2.2.15 The Consultant will conduct reviews of the Work to determine the date of Substantial Performance of the Work as provided in CC 5.3 - SUBSTANTIAL PERFORMANCE OF THE WORK.
- 2.2.16 All certificates if any issued by the Consultant will be to the best of the Consultant's knowledge, information and belief. By issuing any certificate, the Consultant does not guarantee the Work is correct or complete.
- 2.2.17 The Consultant will receive and review written warranties and related documents required by the Contract and provided by the Subcontractor and will forward such warranties and documents to the Owner for the Owner's acceptance.

### **CC 2.3 REVIEW AND INSPECTION OF THE WORK**

- 2.3.1 The Owner, the Contractor and the Consultant shall have access to the Work at all times. The Subcontractor shall provide sufficient, safe and proper facilities at all times for the review of the Work by the Consultant and the inspection of the Work by authorized agencies. If parts of the Work are in preparation at locations other than the Place of the Work, the Owner, the Contractor and the Consultant shall be given access to such work whenever it is in progress.
- 2.3.2 If work is designated for tests, inspections or approvals in the Contract Documents, or by the Consultant's instructions, or by the laws or ordinances of the Place of the Work, the Subcontractor shall give the Consultant reasonable notification of when the work will be ready for review and inspection. The Subcontractor shall arrange for and shall give the Consultant reasonable notification of the date and time of inspections by other authorities.
- 2.3.3 If the Subcontractor covers, or permits to be covered, work that has been



designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the Subcontractor shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the Subcontractor's expense.

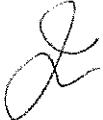
- 2.3.4 The Consultant may order any portion or portions of the Work to be examined to confirm that such work is in accordance with the requirements of the Contract Documents. If the work is not in accordance with the requirements of the Contract Documents, the Subcontractor shall correct the work and pay the cost of examination and correction. If the work is in accordance with the requirements of the Contract Documents, the Subcontractor will not pay the cost of examination and restoration.
- 2.3.5 The Subcontractor shall pay the cost of making any test or inspection, including the cost of samples required for such test or inspection, if such test or inspection is designated in the Contract Documents to be performed by the Subcontractor or is designated by the laws or ordinances applicable to the Place of the Work. There shall not be extension of the Contract Time resulting from any delay caused by such test or inspection.
- 2.3.6 The Subcontractor shall pay the cost of samples required for any test or inspection to be performed by the Consultant, the Contractor or the Owner if such test or inspection is designated in the Contract Documents.

#### CC 2.4 DEFECTIVE WORK

- 2.4.1 The Subcontractor shall promptly correct defective work that has been rejected by the Consultant as failing to conform to the Contract Documents whether or not the defective work has been incorporated in the Work and whether or not the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the Subcontractor.
- 2.4.2 The Subcontractor shall make good promptly other subcontractors' work destroyed or damaged by such corrections at the Subcontractor's expense.
- 2.4.3 If the Subcontractor does not correct defective work as provided in the Contract Documents, the Contractor may deduct from the amount otherwise due to the Contractor the difference in value between the work as performed and that called for by the Contract Documents. If the Contractor and the Subcontractor do not agree on the difference in value, they shall refer the matter to the Consultant for a determination.

#### PART 3 EXECUTION OF THE WORK

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### **CC 3.1 CONTROL OF THE WORK**

- 3.1.1 The Subcontractor shall have total control of the Work and shall effectively direct and supervise the Work so as to ensure conformity with the Contract Documents.
- 3.1.2 The Subcontractor shall be solely responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the Work under the Contract.

### **CC 3.2 CONSTRUCTION BY OTHERS**

- 3.2.1 If required by the Owner, the Contractor may award separate contracts in connection with other parts of the Project to other subcontractors and to perform work with own forces.
- 3.2.2 When separate contracts are awarded for other parts of the Project, or when work is performed by the Contractor's own forces, the Contractor shall:
  - .1 provide for the co-ordination of the activities and work of other subcontractors and Contractor's own forces with the Work of the Contract;
  - .2 enter into separate contracts with other subcontractors under conditions of contract which are compatible with the conditions of the Contract;
  - .3 ensure that insurance coverage is provided to the same requirements as are called for in CC 11.1 - INSURANCE and co-ordinate such insurance with the insurance coverage of the Subcontractor as it affects the Work; and
  - .4 take all reasonable precautions to avoid labor disputes or other disputes on the Project arising from the work of other subcontractors or the Contractor's own forces.
- 3.2.3 When separate contracts are awarded for other parts of the Project, or when work is performed by the Contractor's own forces, the Subcontractor shall:
  - .1 afford the Contractor and other subcontractors reasonable opportunity to store their products and execute their work;
  - .2 cooperate with other subcontractors and the Contractor in reviewing their construction schedules; and
  - .3 promptly report to the Consultant in writing any apparent deficiencies in the work of other subcontractors or of the Contractor's own forces, where such work affects the proper execution of any portion of the Work, prior to proceeding with that portion of the Work.

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- 3.2.4 Where the Contract Documents identify work to be performed by other subcontractors or the Contractor's own forces, the Subcontractor shall co-ordinate and schedules the Work with the work of other subcontractors and the Contractor's own forces as specified in the Contract Documents.
- 3.2.5 Where a change in the Work is required as a result of the co-ordination and integration of the work of other subcontractors or Contractor's own forces with the Work, the changes shall be authorized and valued as provided in CC 6.1 – CONTRACTOR'S RIGHT TO MAKE CHANGES, CC 6.2 - CHANGE ORDER and CC 6.3 - CHANGE DIRECTIVE.
- 3.2.6 Disputes and other matters in question between the Subcontractor and other subcontractors shall be dealt with as provided in Part 8 of the Contract Conditions - DISPUTE RESOLUTION provided the other subcontractors have reciprocal obligations. The Subcontractor shall be deemed to have consented to arbitration of any dispute with any other subcontractor whose contract with the Contractor contains a similar agreement to arbitrate.

### CC 3.3 TEMPORARY WORK

- 3.3.1 The Subcontractor shall have the sole responsibility for the design, erection, operation, maintenance, and removal of Temporary Work.
- 3.3.2 The Subcontractor shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the Contract Documents and in all cases where such Temporary Work is of such a nature that professional engineering skill is required to produce safe and satisfactory results.
- 3.3.3 Notwithstanding the provisions of CC 3.1 - CONTROL OF THE WORK, paragraphs 3.3.1 and 3.3.2 or provisions to the contrary elsewhere in the Contract Documents where such Contract Documents include designs for Temporary Work or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the Work and the Subcontractor shall not be held responsible for that part of the design or the specified method of construction. The Subcontractor shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the Work.

### CC 3.4 DOCUMENT REVIEW

- 3.4.1 The Subcontractor shall review the Contract Documents and shall report promptly to the Consultant any error, inconsistency or omission the Subcontractor may

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discover. Such review by the Subcontractor shall be to the best of the Subcontractor's knowledge, information and belief and in making such review the Subcontractor does not assume any responsibility to the Owner, Contractor or the Consultant for the accuracy of the review. The Subcontractor shall not be liable for damage or costs resulting from such errors, inconsistencies or omissions in the Contract Documents, which the Subcontractor did not discover. If the Subcontractor does discover any error, inconsistency or omission in the Contract Documents, the Subcontractor shall not proceed with the work affected until the Subcontractor has received corrected or missing information from the Consultant.

### **CC 3.5 CONSTRUCTION SCHEDULE**

3.5.1 The Subcontractor shall:

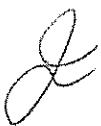
- .1 prepare and submit to the Contractor and the Consultant, a construction schedule that indicates the timing of the major activities of the Work and provides sufficient detail of the critical events and their inter-relationship to demonstrate the Work will be performed in conformity with the Contract Time;
- .2 monitor the progress of the Work relative to the construction schedule and update the schedule as stipulated by the Contract Documents; and
- .3 advise the Consultant of any revisions required to the schedule as the result of extensions of the Contract Time as provided in Part 6 of the Contract Conditions - CHANGES IN THE WORK.

### **CC 3.6 SUPERVISION**

- 3.6.1 The Subcontractor shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the Place of the Work while work is being performed. The appointed representative shall not be changed except for valid reason.
- 3.6.2 The appointed representative shall represent the Subcontractor at the Place of the Work. Information and instructions provided by the Consultant to the Subcontractor's appointed representative shall be deemed to have been received by the Subcontractor, except with respect to Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

### **CC 3.7 SUBCONTRACTOR'S SUBCONTRACTORS AND SUPPLIERS**

3.7.1 The Subcontractor shall preserve and protect the rights of the parties under the



Contract with respect to work to be performed under subcontract, and shall:

- .1 enter into contracts or written agreements with Subcontractor's Subcontractors and Suppliers to require them to perform their work as provided in the Contract Documents;
  - .2 incorporate the terms and conditions of the Contract Documents into all contracts or written agreements with Subcontractor's Subcontractors and Suppliers; and
  - .3 be as fully responsible to the Contractor for acts and omissions of Subcontractor's Subcontractors, Suppliers and of persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the Subcontractor, except the acts and omissions of any Subcontractor's Subcontractor or Supplier nominated by the Contractor.
- 3.7.2 The Subcontractor shall indicate in writing, if requested by the Contractor, those Subcontractor's Subcontractors or Suppliers whose bids have been received by the Subcontractor which the Subcontractor would be prepared to accept for the performance of a portion of the Work. Should the Contractor not object before signing the Contract, the Subcontractor shall employ those Subcontractor's Subcontractors or Suppliers so identified by the Subcontractor in writing for the performance of that portion of the Work to which their bid applies.
- 3.7.3 The Contractor may, for reasonable cause, at any time before the Contractor has signed the Contract, object to the use of a proposed Subcontractor's Subcontractor or Supplier and require the Subcontractor to employ one of the other bidders.
- 3.7.4 If the Contractor requires the Subcontractor to change a proposed Subcontractor's Subcontractor or Supplier, the Contract Price and Contract Time shall be adjusted by the differences occasioned by such required change.
- 3.7.5 The Subcontractor shall not be required to employ as a Subcontractor's Subcontractor or Supplier, a person or firm to which the Subcontractor may reasonably object.

### CC 3.8 LABOR AND PRODUCTS

- 3.8.1 The Subcontractor shall provide and pay for labor, Products, tools, Construction Equipment, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the Work in accordance with the Contract.
- 3.8.2 Unless otherwise specified in the Contract Documents, Products provided shall be new. Products which are not specified shall be of a quality consistent with those

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specified.

- 3.8.3 The Subcontractor shall maintain good order and discipline among the Subcontractor's employees engaged on the Work and shall not employ on the Work anyone not skilled in the tasks assigned.

#### CC 3.9 DOCUMENTS AT THE SITE

- 3.9.1 The Subcontractor shall keep one copy of current Contract Documents, submittals, reports, and records of meetings at the Place of the Work, in good order and available to the Owner, Contractor and the Consultant.

#### CC 3.10 SHOP DRAWINGS

- 3.10.1 The Subcontractor shall provide Shop Drawings as required in the Contract Documents.
- 3.10.2 The Subcontractor shall provide Shop Drawings to the Consultant to review in orderly sequence and sufficiently in advance so as to cause no delay in the Work or in the work of other subcontractors.
- 3.10.3 Upon request of the Contractor or the Consultant, they shall jointly prepare a schedule of the dates for provision, review and return of Shop Drawings.
- 3.10.4 The Subcontractor shall provide Shop Drawings in the form specified, or if not specified, as directed by the Consultant.
- 3.10.5 Shop Drawings provided by the Subcontractor to the Consultant shall indicate by stamp, date and signature of the person responsible for the review that the Subcontractor has reviewed each one of them.
- 3.10.6 The Consultant's review is for conformity to the design concept and for general arrangement only.
- 3.10.7 Shop Drawings which require approval of any legally constituted authority having jurisdiction shall be provided to such authority by the Subcontractor for approval.
- 3.10.8 The Subcontractor shall review all Shop Drawings before providing them to the Consultant. The Subcontractor represents by this review that:
- .1 the Subcontractor has determined and verified all applicable field measurements, field construction conditions, Product requirements, catalogue numbers and similar data, or will do so, and
  - .2 the Subcontractor has checked and co-ordinated each Shop Drawing with the requirements of the Work and of the Contract Documents.

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- 3.10.9 At the time of providing Shop Drawings, the Subcontractor shall expressly advise the Consultant in writing of any deviations in a Shop Drawing from the requirements of the Contract Documents. The Consultant shall indicate the acceptance or rejection of such deviation expressly in writing.
- 3.10.10 The Consultant's review shall not relieve the Subcontractor of responsibility for errors or omissions in the Shop Drawings or for meeting all requirements of the Contract Documents.
- 3.10.11 The Subcontractor shall provide revised Shop Drawings to correct those which the Consultant rejects as inconsistent with the Contract Documents, unless otherwise directed by the Consultant. The Subcontractor shall notify the Consultant in writing of any revisions to the Shop Drawings other than those requested by the Consultant.
- 3.10.12 The Consultant will review and return Shop Drawings in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the Work.

#### CC 3.11 USE OF THE WORK

- 3.11.1 The Subcontractor shall confine Construction Equipment, Temporary Work, storage of Products, waste products and debris, and operations of employees and Subcontractor's Subcontractors to limits indicated by laws, ordinances, permits, or the Contract Documents and shall not unreasonably encumber the Place of the Work.
- 3.11.2 The Subcontractor shall not load or permit to be loaded any part of the Work with a weight or force that will endanger the safety of the Work.

#### CC 3.12 CUTTING AND REMEDIAL WORK

- 3.12.1 The Subcontractor shall perform the cutting and remedial work required to make the affected parts of the Work come together properly.
- 3.12.2 The Subcontractor shall co-ordinate the Work to ensure that the cutting and remedial work is kept to a minimum.
- 3.12.3 Should the Owner, the Consultant, the Contractor, other subcontractors or anyone employed by them be responsible for ill-timed work necessitating cutting or remedial work to be performed, the cost of such cutting or remedial work shall be valued as provided in CC 6.1 - CONTRACTOR'S RIGHT TO MAKE CHANGES, CC 6.2 - CHANGE ORDER and CC 6.3 - CHANGE DIRECTIVE.

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3.12.4 Cutting and remedial work shall be performed by specialists familiar with the Products affected and shall be performed in a manner to neither damage nor endanger the Work.

#### **CC 3.13 CLEANUP**

3.13.1 The Subcontractor shall maintain the Work in a safe and tidy condition and free from the accumulation of waste products and debris.

3.13.2 Before applying for Substantial Performance of the Work, the Subcontractor shall remove waste products and debris, and shall leave the Place of the Work clean and suitable for use or occupancy by the Owner. The Subcontractor shall remove products, tools, Construction Equipment, and Temporary Work not required for the performance of the remaining work.

3.13.3 Prior to completion, the Subcontractor shall remove any remaining products, tools, Construction Equipment, Temporary Work, and waste products and debris.

#### **PART 4 PLACE OF THE WORK**

##### **CC 4.1 RIGHT OF ACCESS TO THE PLACE OF THE WORK**

4.1.1 After the Owner gives the Contractor right of access to, and possession of the Place of the Work, the Contractor shall give the same to the Subcontractor within 5 Working Days.

#### **PART 5 PAYMENT**

##### **CC 5.1 DEPOSIT**

5.1.1 A Deposit with amount of U.S. Dollars Five Million Eight Hundred and Sixty One Thousand Nine Hundred Only (\$5,861,900) shall be provided by the Contractor to the Subcontractor. This Deposit shall be made within 21 Working Days after the Effective Date of the Contract. In the Deposit, amount of U.S. Dollars Two Million Thirty Thousand Only (\$2,030,000) shall be paid to the Subcontract with Canadian Dollars Two Million Two Hundred Thousand Only (C\$ 2,200,000, exchange rate: 1USD = 1.0837 CAD) instead.

5.1.2 The Deposit shall be repaid through full amount deduction in Progress Payment, and such deduction shall commence in the first Progress Payment and continue

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until the time as the Deposit has been repaid in full.

### CC 5.2 PROGRESS PAYMENTS

- 5.2.1 The progress payment, i.e. the value of the part of the Work completed as stated in every Progress Certificate, shall be paid against Progress Certificate and invoice with said value.
- 5.2.2 The total progress payment is U.S. Dollars Fifty Five Million Five Hundred and Eighteen Thousand One Hundred Only (\$55,518,100).
- 5.2.3 For application of every Progress Payment, the Subcontractor shall provide Progress Report to the Contractor. Progress Report shall be dated the last day of each month/period. Within 14 days after receipt of such Progress Report, the Contractor will examine the details listed thereof; and issue a Progress Certificate to the Subcontractor to certify the progress of work made by the Subcontractor and respective contract value of it.
- 5.2.4 The Contractor shall make every progress payment to the Subcontractor within 14 Working Days after issuing respective Progress Certificate.
- 5.2.5 The progress payment for the first three (3) months following the Commencement Date will be certified and paid as the first progress payment pursuant to the process as specified in Sub-Clause 5.2.2. Progress Payments for subsequent months shall be applied monthly.
- 5.2.6 The progress payments shall be made against Progress Certificate. Attachment 1 of Contract Conditions – FORECAST PAYMENT SCHEDULE will be the reference for the payments. It can be changed based on mutual agreement by the two parties according to the progress of the Work.
- 5.2.7 The Subcontractor ensures that all the payments received under the Contract shall be used for the performance of the Project only. The Subcontractor shall notify the details of payments to Subcontractor's subcontractors to the Contractor weekly.

### CC 5.3 SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.3.1 When the Subcontractor considers that the Work is substantially performed, or if permitted by the lien legislation applicable to the Place of the Work a designated portion thereof which the Contractor agrees to accept separately is substantially performed, the Subcontractor shall, within two Working Days, deliver to the each of the Consultant, the Contractor and the Owner a comprehensive list of items to be completed or corrected, together with a written application for a review by the Consultant to establish Substantial Performance of the Work or substantial



performance of the designated portion of the Work. Failure to include an item on the list does not alter the responsibility of the Subcontractor to complete the Contract.

- 5.3.2 The Consultant will review the Work to verify the validity of application and shall promptly, and in any event, no later than 20 calendar days after receipt the Subcontractor's application:

- .1 advise the Subcontractor in writing that the Work or the designated portion of the Work is not substantially performed and give reasons why, or
- .2 state the date of Substantial Performance of the Work or a designated portion of the Work in a certificate and issue a copy of that certificate to the Subcontractor.

- 5.3.3 Immediately following the issuance of the certificate of Substantial Performance of the Work, the Subcontractor, in consultation with the Consultant, shall establish a reasonable date for finishing the Work.

## PART 6 CHANGES IN THE WORK

### CC 6.1 CONTRACTOR'S RIGHT TO MAKE CHANGES

- 6.1.1 The Contractor, through the Consultant, without invalidating the Contract, may make:

- .1 changes in the Work consisting of additions, deletions or other revisions to the Work by Change Order or Change Directive, and
- .2 changes to the Contract Time for the Work, or any part thereof, by Change Order.

- 6.1.2 The Subcontractor shall not perform a change in the Work without a Change Order or a Change Directive.

### CC 6.2 CHANGE ORDER

- 6.2.1 When a change in the Work is proposed or required, the Consultant will provide the Subcontractor with a written description of the proposed change in the Work. The Subcontractor shall promptly present, in a form acceptable to the Consultant, a method of adjustment or an amount of adjustment for the Contract Price, if any, and the adjustment in the Contract Time, if any, for the proposed change in the Work.

- 6.2.2 When the Contractor and Subcontractor agree to the adjustments in the Contract

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Price and Contract Time or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a Change Order. The value of the work performed as the result of a Change Order shall be included in the application for progress payment.

### CC 6.3 CHANGE DIRECTIVE

- 6.3.1 If the Contractor requires the Subcontractor to proceed with a change in the Work prior to the Contractor and the Subcontractor agreeing upon the corresponding adjustment in Contract Price and Contract Time, the Contractor, through the Consultant, shall issue a Change Directive.
- 6.3.2 A Change Directive shall only be used to direct a change in the Work which is within the general scope of the Contract Documents.
- 6.3.3 A Change Directive shall not be used to direct a change in the Contract Time only.
- 6.3.4 Upon receipt of a Change Directive, the Subcontractor shall proceed promptly with the change in the Work.
- 6.3.5 For the purpose of valuing Change Directives, changes in the Work that are not substitutions or otherwise related to each other shall not be grouped together in the same Change Directive.
- 6.3.6 The adjustment in the Contract Price for a change carried out by way of a Change Directive shall be determined on the basis of the cost of the Subcontractor's actual expenditures and savings attributable to the Change Directive, valued in accordance with paragraph 6.3.7 and as follows:
  - .1 If the change results in a net increase in the Subcontractor's cost, the Contract Price shall be increased by the amount of the net increase in the Subcontractor's cost.
  - .2 If the change results in a net decrease in the Subcontractor's cost, the Contract Price shall be decreased by the amount of the net decrease in the Subcontractor's cost.
- 6.3.7 The cost of performing the work attributable to the Change Directive shall be limited to the actual cost of the following:
  - .1 salaries, wages and benefits paid to personnel in the direct employ of the Subcontractor under a salary or wage schedule agreed upon by the Contractor and the Subcontractor, or in the absence of such a schedule, actual salaries, wages and benefits paid under applicable bargaining agreement, and in the absence of a salary or wage schedule and bargaining agreement, actual salaries,

wages paid by the Subcontractor, for personnel

- (1) stationed at the Subcontractor's field office, in whatever capacity employed;
  - (2) engaged in expediting the production or transportation of material or equipment, at shops or on the road;
  - (3) engaged in the preparation or review of Shop Drawings, fabrication drawings, and coordination drawings; or
  - (4) engaged in the processing of changes in the Work.
- .2 contributions, assessments or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan, insofar as such cost is based on wages, salaries or other remuneration paid to employees of the Subcontractor and included in the cost of the Work as provided in paragraph 6.3.7.1;
- .3 travel and subsistence expenses of the Subcontractor's personnel described in paragraph 6.3.7.1;
- .4 all Products including cost of transportation thereof;
- .5 materials, supplies;
- .6 all tools and Construction Equipment, exclusive of hand tools used in the performance of the Work, whether rented from or provided by the Subcontractor or others, including installation, minor repairs and replacements, dismantling, removal, transportation, and delivery cost thereof;
- .7 all equipment and services required for the Subcontractor's field office;
- .8 deposits lost;
- .9 the amounts of all subcontracts;
- .10 quality assurance such as independent inspection and testing services;
- .11 charges levied by authorities having jurisdiction at the Place of the Work;
- .12 royalties, patent license fees and damages for infringement of patents and cost of defending suits therefor subject always to the Subcontractor's obligations to indemnify the Contractor as provided in paragraph 10.3.1 of CC 10.3 - PATENT FEES;
- .13 any adjustment in premiums for all bonds and insurance which the Subcontractor is required, by the Contract Documents, to purchase and maintain;

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- .14 charges for long distance telephone and facsimile communications, courier services, expressage, and petty cash items incurred in relation to the performance of the Work;
  - .16 removal and disposal of waste products and debris; and
  - .17 safety measures and requirements.
- 6.3.8 Notwithstanding any other provisions contained in the Contract Conditions of the Contract, it is the intention of the parties that the cost of any item under any cost element referred to in paragraph 6.3.7 shall cover and include any and all costs or liabilities attributable to the Change Directive other than those which are the result of or occasioned by any failure on the part of the Subcontractor to exercise reasonable care and diligence in the Subcontractor's attention to the Work. Any cost due to failure on the part of the Subcontractor to exercise reasonable care and diligence in the Subcontractor's attention to the Work shall be borne by the Subcontractor.
- 6.3.9 The Subcontractor shall keep full and detailed accounts and records necessary for the documentation of the cost of performing the Work attributable to the Change Directive and shall provide the Consultant with copies thereof when requested.
- 6.3.10 For the purpose of valuing Change Directives, the Contractor shall be afforded reasonable access to all of the Subcontractor's pertinent documents related to the cost of performing the Work attributable to the Change Directive.
- 6.3.11 Pending determination of the final amount of a Change Directive, the undisputed value of the Work performed as the result of a Change Directive is eligible to be included in progress payments.
- 6.3.12 If the Contractor and the Subcontractor do not agree on the proposed adjustment in the Contract Time attributable to the change in the Work, or the method of determining it, the adjustment shall be referred to the Consultant for determination.
- 6.3.13 When the Contractor and the Subcontractor reach agreement on the adjustment to the Contract Price and to the Contract Time, this agreement shall be recorded in a Change Order.

#### **CC 6.4 CONCEALED OR UNKNOWN CONDITIONS**

- 6.4.1 If the Contractor or the Subcontractor discover conditions at the Place of the Work which are:
- .1 subsurface or otherwise concealed physical conditions which existed before the

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commencement of the Work which differ materially from those indicated in the Contract Documents; or

- .2 physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then the observing party shall give Notice in Writing to the other party of such conditions before they are disturbed and in no event later than 5 Working Days after first observance of the conditions.
- 6.4.2 The Consultant will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would cause an increase or decrease in the Subcontractor's cost or time to perform the Work, the Consultant, with the Contractor's approval, will issue appropriate instructions for a change in the Work as provided in CC 6.2 - CHANGE ORDER or CC 6.3 - CHANGE DIRECTIVE.
- 6.4.3 If the Consultant finds that the conditions at the Place of the Work are not materially different or that no change in the Contract Price or the Contract Time is justified, the Consultant will report the reasons for this finding to the Contractor and the Subcontractor in writing.
- 6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of CC 9.2 - TOXIC AND HAZARDOUS SUBSTANCES, CC 9.3 - ARTIFACTS AND FOSSILS and CC 9.5 – MOULD.

#### CC 6.5 DELAYS

- 6.5.1 If the Subcontractor is delayed in the performance of the Work by an action or omission of the Contractor, Consultant or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the Contract Documents, then the Contract Time shall be extended for such reasonable time as the Consultant may recommend in consultation with the Contractor. The Subcontractor shall be reimbursed by the Contractor for reasonable costs incurred by the Subcontractor as the result of such delay.
- 6.5.2 If the Subcontractor is delayed in the performance of the Work by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the Subcontractor or any person employed or engaged by the Subcontractor directly or indirectly, then the Contract Time shall be extended for such reasonable time as the Consultant may recommend in consultation with the Contractor. The Subcontractor shall be

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reimbursed by the Contractor for reasonable costs incurred by the Subcontractor as the result of such delay.

6.5.3 If the Subcontractor is delayed in the performance of the Work by:

- .1 labor disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized subcontractors' association, of which the Subcontractor is a member or to which the Subcontractor is otherwise bound),
- .2 fire, unusual delay by common carriers or unavoidable casualties,
- .3 abnormally adverse weather conditions, or
- .4 any cause beyond the Subcontractor's control other than one resulting from a default or breach of Contract by the Subcontractor,

then the Contract Time shall be extended for such reasonable time as the Consultant may recommend in consultation with the Contractor. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the Subcontractor agrees to a shorter extension. The Subcontractor shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the Owner, Contractor, Consultant or anyone employed or engaged by them directly or indirectly.

6.5.4 If no schedule is made under paragraph 2.2.11 of CC 2.2 - ROLE OF THE CONSULTANT, then no request for extension shall be made because of failure of the Consultant to furnish instructions until 10 Working Days after demand for such instructions has been made.

#### CC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE

6.6.1 If the Subcontractor intends to make a claim for an increase to the Contract Price, or if the Contractor intends to make a claim against the Subcontractor for a credit to the Contract Price, the party that intends to make the claim shall give timely Notice in Writing of intent to claim to the other party and to the Consultant.

6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:

- .1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
- .2 keep such records as may be necessary to support the claim.

6.6.3 The party making the claim shall submit within a reasonable time to the Consultant a detailed account of the amount claimed and the grounds upon which

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the claim is based.

- 6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the Consultant may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 6.6.5 The Consultant's findings, with respect to a claim made by either party, will be given by Notice in Writing to both parties within 30 Working Days after receipt of the claim by the Consultant, or within such other time period as may be agreed by the parties.
- 6.6.6 If such finding is not acceptable to either party, the claim shall be settled in accordance with Part 8 of the Contract Conditions - DISPUTE RESOLUTION.

## PART 7 DEFAULT NOTICE

### CC 7.1 CONTRACTOR'S RIGHT TO PERFORM THE WORK, TERMINATE THE SUBCONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT

- 7.1.1 If the Subcontractor is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the Subcontractor's insolvency, or if a receiver is appointed because of the Subcontractor's insolvency, the Contractor may, without prejudice to any other right or remedy the Contractor may have, terminate the Subcontractor's right to continue with the Work, by giving the Subcontractor or receiver or trustee in bankruptcy Notice in Writing to that effect.
- 7.1.2 If the Subcontractor neglects to prosecute the Work properly or otherwise fails to comply with the requirements of the Contract to a substantial degree and if the Consultant has given a written statement to the Subcontractor that sufficient cause exists to justify such action, the Contractor may, without prejudice to any other right or remedy the Contractor may have, give the Subcontractor Notice in Writing that the Subcontractor is in default of the Subcontractor's contractual obligations and instruct the Subcontractor to correct the default in the 5 Working Days immediately following the receipt of such Notice in Writing.
- 7.1.3 If the default cannot be corrected in the 5 Working Days specified or in such other time period as may be subsequently agreed in writing by the parties, the



Subcontractor shall be in compliance with the Contractor's instructions if the Subcontractor:

- .1 commences the correction of the default within the specified time, and
- .2 provides the Contractor with an acceptable schedule for such correction, and
- .3 corrects the default in accordance with the Contract terms and with such schedule.

7.1.4 If the Subcontractor fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the Contractor may have, the Contractor may:

- .1 correct such default and deduct the cost thereof from any payment then or thereafter due the Subcontractor provided the Consultant has certified such cost to the Contractor and the Subcontractor, or
- .2 terminate the Subcontractor's right to continue with the Work in whole or in part or terminate the Contract.

7.1.5 If the Contractor terminates the Subcontractor's right to continue with the Work as provided in paragraphs 7.1.1 and 7.1.4, the Contractor shall be entitled to:

- .1 take possession of the Work and Products at the Place of the Work; subject to the rights of third parties, utilize the Construction Equipment at the Place of the Work; finish the Work by whatever method the Contractor may consider expedient, but without undue delay or expense, and
- .2 withhold further payment to the Subcontractor until a final certificate for payment is issued, and
- .3 charge the Subcontractor the amount by which the full cost of finishing the Work as certified by the Consultant, including compensation to the Consultant for the Consultant's additional services and reasonable allowance as determined by the Consultant to cover the cost of corrections to work performed by the Subcontractor that may be required under CC 12.3-WARRANTY, exceeds the unpaid balance of the Contract Price; however, if such cost of finishing the Work is less than the unpaid balance of the Contract Price, the Contractor shall pay the Subcontractor the difference, and
- .4 on expiry of the warranty period, charge the Subcontractor the amount by which the cost of corrections to the Subcontractor's work under CC 12.3-WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the Subcontractor the difference.



- 7.1.6 If the Contractor terminates the Subcontractor's right to continue with the Work as provided in paragraphs 7.1.1 and 7.1.4, the Subcontractor shall, as a condition of receiving the payments, execute and deliver such papers and take such action, including the legal assignment in the Subcontractor's contractual rights, as the Contractor may require for the purpose of fully vesting in the Subcontractor the rights and benefits of the Subcontractor under the obligations or commitments to be assumed by the Contractor.
- 7.1.7 The Subcontractor's obligation under the Contract as to quality, correction and warranty of the work performed by the Subcontractor up to the time of termination shall continue after such termination of the Contract.

## CC 7.2 SUBCONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

- 7.2.1 If the Contractor is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the Contractor's insolvency, or if a receiver is appointed because of the Contractor's insolvency, the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate the Contract by giving the Contractor or receiver or trustee in bankruptcy Notice in Writing to that effect.
- 7.2.2 If the Work is suspended or otherwise delayed for a period of 20 Working Days or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the Subcontractor or of anyone directly or indirectly employed or engaged by the Subcontractor, the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate the Contract by giving the Contractor Notice in Writing to that effect.
- 7.2.3 The Subcontractor may give Notice in Writing to the Contractor, with a copy to the Consultant, that the Contractor is in default of the Contractor's contractual obligations if:
  - .1 the Consultant fails to issue a certificate as provided in CC 5.3 - PROGRESS PAYMENT, or
  - .2 the Contractor fails to pay the Subcontractor when due the amounts certified by the Consultant or awarded by arbitration or court, or
  - .3 the Contractor violates the requirements of the Contract to a substantial degree and the Consultant confirms by written statement to the Subcontractor that sufficient cause exists.



- 7.2.4 The Subcontractor's Notice in Writing to the Contractor provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 Working Days following the receipt of the Notice in Writing, the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, suspend the Work or terminate the Contract.
- 7.2.5 If the Subcontractor terminates the Contract under the conditions set out above, the Subcontractor shall be entitled to be paid for the Contract value for all work performed.

## PART 8 DISPUTE RESOLUTION

### CC 8.1 AUTHORITY OF THE CONSULTANT

- 8.1.1 If differences between the parties to the Contract as to the interpretation, application or administration of the Contract or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved in the first instance by findings of the Consultant as provided in CC 2.2 - ROLE OF THE CONSULTANT, or if a dispute arises under the Contract in respect of a matter in which the Consultant has no authority under the Contract to make a finding shall be settled by arbitration.
- 8.1.2 The arbitration shall be conducted in Singapore International Arbitration Centre (hereinafter referred as "SIAC") in Singapore in accordance with the Arbitration Rules of the SIAC in force. The tribunal shall consist of three arbitrators to be appointed by the Chairman of the SIAC. The arbitration award is final and binding upon both parties. All proceedings of the arbitration, including arguments and briefs shall be conducted in English.
- 8.1.3 If a dispute is not resolved promptly, the Consultant will give such instructions as in the Consultant's opinion are necessary for the proper performance of the Work and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have.

### CC 8.2 RETENTION OF RIGHTS

- 8.2.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the Notice in Writing required under Part 8 of the Contract Conditions - DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.4

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of CC 8.1 – AUTHORITY OF THE CONSULTANT.

- 8.2.2 Nothing in Part 8 of the Contract Conditions - DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the Place of the Work.

## PART 9 PROTECTION OF PERSONS AND PROPERTY

### CC 9.1 PROTECTION OF WORK AND PROPERTY

- 9.1.1 The Subcontractor shall protect the Work and the Owner's and the Contractor's property and property adjacent to the Place of the Work from damage which may arise as the result of the Subcontractor's operations under the Contract, and shall be responsible for such damage, except damage which occurs as the result of:
- .1 errors in the Contract Documents;
  - .2 acts or omissions by the Owner, the Consultant, other subcontractors, their agents and employees.
- 9.1.2 Should the Subcontractor in the performance of the Contract damage the Work, the Owner's and the Contractor's property or property adjacent to the Place of the Work, the Subcontractor shall be responsible for making good such damage at the Subcontractor's expense.
- 9.1.3 Should damage occur to the Work or Owner's and Contractor's property for which the Subcontractor is not responsible, as provided in paragraph 9.1.1, the Subcontractor shall make good such damage to the Work and, if the Contractor so directs, to the Owner's and Contractor's property. The Contract Price and Contract Time shall be adjusted as provided in CC 6.1 – CONTRACTOR'S RIGHT TO MAKE CHANGES, CC 6.2 - CHANGE ORDER and CC 6.3 - CHANGE DIRECTIVE.

### CC 9.2 TOXIC AND HAZARDOUS SUBSTANCES

- 9.2.1 For the purposes of applicable legislation related to toxic and hazardous substances, the Subcontractor shall be deemed to have control and management of the Place of the Work with respect to existing conditions.
- 9.2.2 The Subcontractor shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substances exceeds the time weighted levels prescribed by applicable legislation at the Place of the Work and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or



hazardous substances which were at the Place of the Work prior to the Subcontractor commencing the Work.

9.2.3 If the Subcontractor

- .1 encounters toxic or hazardous substances at the Place of the Work, or
- .2 has reasonable grounds to believe that toxic or hazardous substances are present at the Place of the Work, which were not brought to the Place of the Work by the Subcontractor or anyone for whom the Subcontractor is responsible and which were not disclosed by the Contractor or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the Subcontractor shall
- .3 take all reasonable steps, including stopping the Work, to ensure that no person's exposure to any toxic or hazardous substances exceeds any applicable time weighted levels prescribed by applicable legislation at the Place of the Work, and
- .4 immediately report the circumstances to the Consultant and the Contractor in writing.

9.2.4 If the Contractor and Subcontractor do not agree on the existence, significance of, or whether the toxic or hazardous substances were brought onto the Place of the Work by the Subcontractor or anyone for whom the Subcontractor is responsible, the Contractor shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the Contractor and the Subcontractor.

9.2.5 If the Contractor and Subcontractor agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the place of the Work by the Subcontractor or anyone for whom the Subcontractor is responsible, the Contractor shall promptly at the Contractor's own expense:

- .1 take all steps as required under paragraph 9.2.4;
- .2 reimburse the Subcontractor for the costs of all steps taken pursuant to paragraph 9.2.5;
- .3 extend the Contract time for such reasonable time as the Consultant may recommend in consultation with the Contractor and the expert referred to in 9.2.6 and reimburse the Subcontractor for reasonable costs incurred as a result of the delay; and
- .4 indemnify the Subcontractor as required by CC 12.1 - INDEMNIFICATION.

9.2.6 If the Contractor and Subcontractor agree or if the expert referred to in paragraph

- 9.2.6 determines that the toxic or hazardous substances were brought onto the place of the Work by the Subcontractor or anyone for whom the Subcontractor is responsible, the Subcontractor shall promptly at the Subcontractor's own expense:
- .1 take all necessary steps, in accordance with applicable legislation in force at the Place of the Work, to safely remove and dispose the toxic or hazardous substances;
  - .2 make good any damage to the Work, the Owner's and the Contractor's property or property adjacent to the place of the Work as provided in paragraph 9.1.3 of CC 9.1 – PROTECTION OF WORK AND PROPERTY;
  - .3 reimburse the Owner and the Contractor for reasonable costs incurred under paragraph 9.2.6; and
  - .4 indemnify the Owner and the Contractor as required by CC 12.1 - INDEMNIFICATION.
- 9.2.7 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the Contract Conditions - DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by CC 9.2 - TOXIC AND HAZARDOUS SUBSTANCES.

### CC 9.3 ARTIFACTS AND FOSSILS

- 9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the Place or Work shall be deemed to be the absolute property of the Owner.
- 9.3.2 The Subcontractor shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the Consultant upon discovery of such items.
- 9.3.3 The Consultant will investigate the impact on the Work of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the Subcontractor's cost or time to perform the Work, the Consultant, with approval, will issue appropriate instructions for a change in the Work as provided in CC 6.2 - CHANGE ORDER or CC 6.3 CHANGE DIRECTIVE.



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#### **CC 9.4 CONSTRUCTION SAFETY**

- 9.4.1 Subject to paragraph 3.2.2.2 of CC 3.2 - CONSTRUCTION BY OTHERS, the Subcontractor shall be solely responsible for construction safety at the Place of the Work and for compliance with the rules, regulations and practices required by the applicable construction health and safety legislation and shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Work.

### **PART 10 GOVERNING REGULATIONS**

#### **CC 10.1 TAXES AND DUTIES**

- 10.1.1 All taxes imposed by the government of Canada (federal, provincial and any other level of government) shall be borne by the Subcontractor.
- 10.1.2 Any increase or decrease in costs to the Subcontractor due to changes in such included taxes and duties after the time of signing the Contract shall not increase or decrease the Contract Price accordingly.

#### **CC 10.2 LAWS, NOTICES, PERMITS, AND FEES**

- 10.2.1 The laws of the Ontario province of Canada shall govern the Work.
- 10.2.2 The Owner will obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the Contract Documents specify as the responsibility of the Subcontractor.
- 10.2.3 The Subcontractor shall be responsible for the procurement of permits, licenses, inspections, and certificates, which are necessary for the performance of the Work and customarily obtained by contractors in the jurisdiction of the Place of the Work after the issuance of the building permit. The Contract Price includes the cost of these permits, licenses, inspections, and certificates, and their procurement.
- 10.2.4 The Subcontractor shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the Work and which relate to the Work, to the preservation of the public health, and to construction safety.
- 10.2.5 The Subcontractor shall not be responsible for verifying that the Contract

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Documents are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the Work. If the Contract Documents are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the Contract Documents, the Subcontractor shall advise the Consultant in writing requesting direction immediately upon such variance or change becoming known. The Consultant will make the changes required to the Contract Documents as provided in CC 6.1 - CONTRACTOR'S RIGHT TO MAKE CHANGES, CC 6.2 - CHANGE ORDER and CC 6.3 - CHANGE DIRECTIVE.

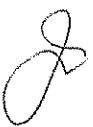
- 10.2.6 If the Subcontractor fails to advise the Consultant in writing; and fails to obtain direction as required in paragraph 10.2.5; and performs work knowing it to be contrary to any laws, ordinances, rules, regulations, or codes; the Subcontractor shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.
- 10.2.7 If, subsequent to the time of signing the Contract, changes are made to applicable laws, ordinances, rules, regulations, or codes of authorities having jurisdiction which affect the cost of the Work, either party may submit a claim in accordance with the requirements of CC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

#### CC 10.3 PATENT FEES

- 10.3.1 The Subcontractor shall pay the royalties and patent license fees required for the performance of the Contract. The Subcontractor shall hold the Owner and the Contractor harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the Subcontractor's performance of the Contract which are attributable to an infringement or an alleged infringement of a patent of invention by the Subcontractor or anyone for whose acts the Subcontractor may be liable.

#### CC 10.4 WORKERS' COMPENSATION

- 10.4.1 Prior to commencing the Work, again with the Subcontractor's application for payments under this Contract, the Subcontractor shall provide evidence of compliance with workers' compensation legislation at the Place of the Work, including payments due thereunder.
- 10.4.2 At any time during the term of the Contract, when requested by the Contractor,

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the Subcontractor shall provide such evidence of compliance by the Subcontractor and its Subcontractors.

## PART 11 INSURANCE AND CONTRACT SECURITY

### CC 11.1 INSURANCE

11.1.1 Without restricting the generality of CC 12.1 - INDEMNIFICATION, the Subcontractor shall provide, maintain and pay for the following insurance cover ages, the minimum requirements of which are specified in CCDC 41 - CCDC Insurance Requirements in effect at the time of bid closing except as hereinafter provided:

- .1 General liability insurance in the name of the Subcontractor and include, or in the case of a single, blanket policy, be endorsed to name, the Owner, the Contractor and the Consultant as insured but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the Subcontractor with regard to the Work. General liability insurance shall be maintained from the date of commencement of the Work until one year from the date of Substantial Performance of the Work. Liability coverage shall be provided for completed operations hazards from the date of Substantial Performance of the Work, as set out in the certificate of Substantial Performance of the Work, on an ongoing basis for a period of 6 years following Substantial Performance of the Work.
- .2 Automobile Liability Insurance from the date of commencement of the Work until one year after the date of Substantial Performance of the Work.
- .3 Aircraft or Watercraft Liability Insurance when owned or non-owned aircraft or watercraft are used directly or indirectly in the performance of the Work.
- .4 "Broad form" property insurance in the joint names of the Contractor, the Owner and the Consultant. The policy shall include as insured all subcontractors. The "Broad form" property insurance shall be provided from the date of commencement of the Work until the earliest of:
  - (1) 10 calendar days after the date of Substantial Performance of the Work;
  - (2) on the commencement of use or occupancy of any part or section of the Work unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the Work;

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- (3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.
- .5 Boiler and machinery insurance in the joint names of the Contractor, the Owner and the Consultant. The policy shall include as insured all subcontractors. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of Substantial Performance of the Work.
- .6 The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the Contractor and the Subcontractor as their respective interests may appear. In the event of loss or damage:
- (1) the Subcontractor shall act on behalf of the Contractor for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the Subcontractor shall proceed to restore the Work. Loss or damage shall not affect the rights and obligations of either party under the Contract except that the Subcontractor shall be entitled to such reasonable extension of Contract Time relative to the extent of the loss or damage as the Consultant may recommend in consultation with the Subcontractor;
- .7 Subcontractors' Equipment Insurance from the date of commencement of the Work until one year after the date of Substantial Performance of the Work.
- 11.1.2 Prior to commencement of the Work and upon the placement, renewal, amendment, or extension of all or any part of the insurance, the Subcontractor shall promptly provide the Contractor with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the Work.
- 11.1.3 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the Contract.
- 11.1.4 If the Subcontractor fails to provide or maintain insurance as required by the Contract Documents, then the Owner shall have the right to provide and maintain such insurance and give evidence to the Subcontractor and the Consultant. The Subcontractor shall pay the cost thereof to the Owner on demand or the Owner may deduct the cost from the amount which is due or may become due to the Subcontractor.
- 11.1.5 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the Place of the Work.

*J* 30

- 11.1.6 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the Subcontractor's insurance policy becoming due for renewal, and record any agreement in a Change Order.
- 11.1.7 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies increased insurance requirements, the Contractor may request the increased coverage from the Subcontractor by way of a Change Order.
- 11.1.8 A Change Directive shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41 – INSURANCE REQUIREMENTS.

## PART 12 INDEMNIFICATION, WAIVER OF CLAIMS AND WARRANTY

### CC 12.1 INDEMNIFICATION

- 12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, the Contractor and the Subcontractor shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this Contract, provided such claims are:
  - .1 caused by:
    - (1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
    - (2) a failure of the party to the Contract from whom indemnification is sought to fulfill its terms or conditions; and
  - .2 made by Notice in Writing within a period of 6 years from the date of Substantial Performance of the Work as set out in the certificate of Substantial Performance of the Work issued pursuant to paragraph 5.4.2.2 of CC 5.4 – SUBSTANTIAL PERFORMANCE OF THE WORK or within such shorter period as may be prescribed by any limitation statute of the province or territory of the Place of the Work.

The parties expressly waive the right to indemnity for claims other than those provided for in this Contract.

- 12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall

  
31

be limited as follows:

- .1 In respect to losses suffered by the Contractor and the Subcontractor for which insurance is to be provided by either party pursuant to CC 11.1 – INSURANCE.
- .2 In respect to losses suffered by the Contractor and the Subcontractor for which insurance is not required to be provided by either party in accordance with CC 11.1 – INSURANCE, the greater of the Contract Price as recorded in Article A-4 – CONTRACT PRICE or \$5,000,000, but in no event shall the sum be greater than \$50,000,000.
- .3 In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.
  - 12.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 12.1.1 and 12.1.2 shall be inclusive of interest and all legal costs.
  - 12.1.4 The Subcontractor shall indemnify and hold harmless the Contractor from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in CC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.
  - 12.1.5 In respect to any claim for indemnity or to be held harmless by the Contractor or the Subcontractor:
    - .1 Notice in Writing of such claim shall be given within a reasonable time after the facts upon which such claim is based became known;
    - .2 should any party be required as a result of its obligation to indemnify another to pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

## CC 12.2 WAIVER OF CLAIMS

### 12.2.1 Waiver of Claims by Contractor

Subject to any lien legislation applicable to the Place of the Work, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation

32

applicable at the Place of the Work, the Subcontractor waives and releases the Owner and the Contractor from all claims which the Subcontractor has or reasonably ought to have knowledge of that could be advanced by the Subcontractor against the Owner or the Contractor arising from the Subcontractor's involvement in the Work, including, without limitation, those arising from the negligence or breach of contract inspect to which the cause of action is base upon acts or omissions which occurred prior to or on the date of Substantial Performance of the Work, except as follows:

- .1 claims arising prior to or on the date of Substantial Performance of the Work for which Notice in Writing or claim has been received by the Contractor from the Subcontractor no later than sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work;
- .2 indemnification for claims advanced against the Subcontractor by third parties for which a right of indemnification may be asserted by the Subcontractor against the Contractor pursuant to the provisions of this Contract;
- .3 claims for which a right of indemnity could be asserted by the Subcontractor pursuant to the provisions of paragraphs 12.1.4 or 12.1.5 of CC 12.1-INDEMNIFICATION; and
- .4 claims resulting from acts or omissions which occur after the date of Substantial Performance of the Work.

12.2.2 The Subcontractor waives and releases the Owner and the Contractor from all claims referenced in paragraph 12.2.1.4 except for those referred in paragraphs 12.2.1.2 and 12.2.1.3 and claims for which Notice in Writing of claim has been received by the Owner and the Contractor from the Subcontractor within 395 calendar days following the date of Substantial Performance of the Work.

12.2.3 Subject to any lien legislation applicable to the Place of the Work, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work, the Contractor waives and releases the Subcontractor from all claims which the Contractor has or reasonably ought to have knowledge of that could be advanced by the Contractor against the Subcontractor arising from the Contractor's involvement in the Work, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of Substantial Performance of the Work, except as follows:

- .1 claims arising prior to or on the date of Substantial Performance of the Work for which Notice in Writing of claim has been received by the Subcontractor from the Contractor no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work;

J

- .2 indemnification for claims advanced against the Contractor by third parties for which a right of indemnification may be asserted by the Contractor against the Subcontractor pursuant to the provisions of this Contract;
  - .3 claims for which a right of indemnity could be asserted by the Contractor against the Subcontractor pursuant to the provisions of paragraph 12.1.4 of CC 12.1 - INDEMNIFICATION;
  - .4 damages arising from the Subcontractor's actions which result in substantial defects or deficiencies in the Work. "Substantial defects or deficiencies" mean those defects or deficiencies in the Work which affect the Work to such an extent or in such a manner that a significant part or the whole of the Work is unfit for the purpose intended by the Contract Documents;
  - .5 claims arising pursuant to CC 12.3 - WARRANTY; and
  - .6 claims arising from acts or omissions which occur after the date of Substantial Performance of the Work.
- 12.2.4 The Contractor waives and releases the Subcontractor from all claims referred to in paragraph 12.2.3.4 except claims for which Notice in Writing of claim has been received by the Subcontractor from the Contractor within a period of six years from the date of Substantial Performance of the Work should any limitation statute of the Province or Territory of the Place of the Work permit such agreement. If the applicable limitation statute does not permit such agreement, within such shorter period as may be prescribed by:
- .1 any limitation statute of the Province or Territory of the Place of the Work; or
  - .2 if the Place of the Work is the Province of Quebec, then Article 2118 of the Civil Code of Quebec.
- 12.2.5 The Contractor waives and releases the Subcontractor from all claims referenced in paragraph 12.2.3.6 except for those referred in paragraph 12.2.3.2, 12.2.3.3 and those arising under CC 12.3 - WARRANTY and claims for which Notice in Writing has been received by the Subcontractor from the Contractor within 395 calendar days following the date of Substantial Performance of the Work.
- 12.2.6 "Notice in Writing of claim" as provided for in CC 12.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of CC 12.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
- .1 a clear and unequivocal statement of the intention to claim;
  - .2 a statement as to the nature of the claim and the grounds upon which the claim is based; and

 34

- .3 a statement of the estimated quantum of the claim.
- 12.2.7 The party giving "Notice in Writing of claim" as provided for in CC 12.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.
- 12.2.8 Where the event or series of events giving rise to a claim made under paragraphs 12.2.1 or 12.2.3 has a continuing effect, the detailed account submitted under paragraph 12.2.7 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 12.2.9 If a Notice in Writing of claim pursuant to paragraph 12.2.1.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work, the period within which Notice in Writing of claim shall be received pursuant to paragraph 12.2.3.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work.
- 12.2.10 If a Notice in Writing of claim pursuant to paragraph 12.2.3.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work, the period within which Notice in Writing of claim shall be received pursuant to paragraph 12.2.1.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the Place of the Work.

### CC 12.3 WARRANTY

- 12.3.1 The warranty period under the Contract is one year from the date of Substantial Performance of the Work.
- 12.3.2 The Subcontractor shall be responsible for the proper performance of the Work to the extent that the design and Contract Documents permit such performance.
- 12.3.3 The Owner and the Contractor, through the Consultant, shall promptly give the Subcontractor Notice in Writing of observed defects and deficiencies which occur during the one year warranty period.
- 12.3.4 Subject to paragraph 12.3.2, the Subcontractor shall correct promptly, at the Subcontractor's expense, defects or deficiencies in the Work which appear prior to and during the warranty period.
- 12.3.5 The Subcontractor shall correct or pay for damage resulting from corrections

made under the requirements of paragraph 12.3.4.

- 12.3.6 Any extended warranties required beyond the one year warranty period as described in paragraph 12.3.1, shall be as specified in the Contract Documents. Extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.



Spalding

**This is Exhibit "BB" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

  
**A COMMISSIONER FOR TAKING AFFIDAVITS**



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China      <http://www.cmecc.com>  
Email:cmecc@mail.cmecc.com      Tel: (86-10) 63451188      Fax: (86-10) 63261865

22<sup>nd</sup> January, 2014

JD Development Phillip Street Limited  
3601 Highway 7 E, Suite 610  
Markham, ON L3R 0M3

Dear Sir/Madam,

**Re: Confirm the Down Payment Detail and Account info to Phillip Student Residence Project Phase I**

We hereby confirm the below payment detail for the 10% Deposit of the contract price according to the Contract (Contract No.: JD/CMEC/2013-001) and the bank accounts info which are as follows:

Total amount of Deposit should be \$6,000,000 (say: Six Million US Dollars Only) plus C\$2,200,000 (say: Two Million Two Hundred Thousand Canadian Dollars Only),

1. An amount of

\$3,831,900 (say: Three Million Eight Hundred Thirty One Thousand and Nine Hundred US Dollars Only) and

C\$ 2,200,000 (say: Two Million Two Hundred Thousand Canadian Dollars Only)

shall be paid to the following bank account by directly bank transfer.

Bank Name: BANK OF COMMUNICATIONS, HONG KONG BRANCH

Bank Address: 20 PEDDER ST, HONG KONG

Account No. & Swift: 02753292436223 COMMHKHH

Beneficiary: CHINA EVERBEST DEVELOPMENT INTERNATIONAL LTD.

Address: RM 804, TOWER 1, SOUTH SEAS CNETRE, P.S.T EAST,  
KOWLOON, HONG KONG.

Centre

zf

2. Another amount of \$2,168,100 (say: Two Million One Hundred and Sixty Eight Thousand One Hundred US Dollar Only) shall be paid to another bank account as follows by directly bank transfer:

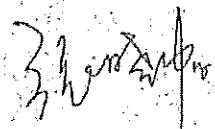
Bank Name: Bank of China (Hong Kong ) Limited

Account No. & Swift: 012-875-9-250387-4 BKCHHKHH

Beneficiary: CHINA MACHINERY ENGINEERING CORPORATION

Your prompt remittance will be appreciated.

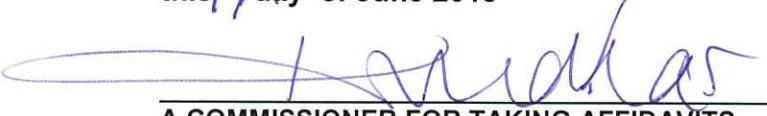
Faithfully Yours,



Zhang Xiaofan

Assistance Managing Director of Complete Plant Division

This is Exhibit "CC" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

  
A COMMISSIONER FOR TAKING AFFIDAVITS

<billinfo1: D0002>  
<billinfo2: >  
<tifaxnum: >  
<toname: >  
<nocover>

905.479.9890  
RUBIN L)



A member of BMO Financial Group

**Foreign Exchange**

Toronto Main Office  
First Canadian Place  
Toronto, Ontario  
Canada

Phone: (416) 867-5608  
Fax: (416) 867-4805

**The information contained in this transmission is considered Confidential**

Reference No:	Value Date:	Currency:	Amount:
0002F1250	23-Jan-2014	USD	3,831,900.00
		Customer Rate:	Cdn Equivalent:
			Fee:

**Customer:**

JD Development Phillip  
Street Limited  
Partnership  
3601 Highway 7  
Suite 903  
Markham ON  
CA

**Account No:**  
4706588

**Details of Payment:**

**Favour of/Beneficiary:**  
China Everbest Development

---

This fax is intended only for the individual or organization to whom it is addressed and may contain confidential or sensitive information. If you received this fax in error, please help us prevent further errors by informing the sender immediately by phone. We also ask that you refrain from disseminating or using the information in or accompanying the fax and that you destroy all copies when requested.

**IMPORTANT INFORMATION**

In our efforts to ensure continuous adherence to the ever changing regulatory environment we wish to notify you of a change to the mandatory information requirements for wire payments. The inclusion of "address of the payment beneficiary", for all wires

```
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<billinfo2: >
<tifaxnum: >
<toname: >
<nocover>
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A member of BMO Financial Group

**Foreign Exchange**  
**Toronto Main Office**  
**First Canadian Place**  
**Toronto, Ontario**  
**Canada**

Phone: (416) 867-5608  
Fax: (416) 867-4805

**The information contained in this transmission is considered Confidential**

Reference No:	Value Date:	Currency:	Amount:
0002F1252	23-Jan-2014	CAD	2,200,000.00
		Customer Rate:	Equivalent:
		Fee:	

Customer: Account No:  
JD Development Phillip  
Street Limited  
Partnership  
3601 Highway 7  
Suite 903.  
Markham ON  
CA 1105120

Details of Payment:

Favour of/Beneficiary:  
China Everbest Development

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**IMPORTANT INFORMATION**

In our efforts to ensure continuous adherence to the ever changing regulatory environment we wish to notify you of a change to the mandatory information requirements for wire payments. The inclusion of "*address of the payment beneficiary*", for all wires originating from Canadian Financial Institutions is now required for compliance with \*FINTRAC Anti-Money Laundering (AML)

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<billinfo2: >
<tifaxnum: >
<toname: >
<nocover>
```



A member of BMO Financial Group

**Foreign Exchange**  
**Toronto Main Office**  
**First Canadian Place**  
**Toronto, Ontario**  
**Canada**

**Phone:** (416) 867-5608  
**Fax:** (416) 867-4805

**The information contained in this transmission is considered Confidential**

<b>Reference No:</b> 0002F1254	<b>Value Date:</b> 23-Jan-2014	<b>Currency:</b> USD	<b>Amount:</b> 2,168,100.00
		<b>Customer Rate:</b>	<b>Cdn Equivalent:</b>

**Fee:**

<b>Customer:</b>	<b>Account No.:</b>
JD Development Phillip Street Limited Partnership 3601 Highway 7 Suite 903 Markham ON CA	4706588

**Details of Payment:**

**Favour of/Beneficiary:**  
China Machinery Engineering

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#### **IMPORTANT INFORMATION**

In our efforts to ensure continuous adherence to the ever changing regulatory environment we wish to notify you of a change to the mandatory information requirements for wire payments. The inclusion of "*address of the payment beneficiary*", for all wires



Fax to: 416-867-4805

Attn: Shelley Jeffers

Date: 23/01/2014

Company Name	JD Development Phillip Street LP
Address:	3601 Highway 7 E, Suite 610, Markham, Ontario, L3R 0M3
Telephone:	905-479-9898
Fax:	905-479-9890
Contact Name:	Maggie Liu
Debit Account #:	29494706588

Beneficiary Name:	China Machinery Engineering Corporation
Beneficiary Address:	178, Guang An Men Wai Street, Xuan Wu District, Beijing, China
Beneficiary Account:	012-876-9-250387-4
Amount:	\$2,168,100.00
Currency ID:	USD

Beneficiary's Bank Information	
Bank Name:	Bank of China (Hong Kong) Limited
Bank Address:	Bank of China Tower, 1 Garden Road, Hong Kong
Bank Swift Code:	BKCHHKHH
Institution #:	
Tansit #:	
Details of Payment:	

Inter-Bank Information	
Bank Name:	
Bank Address:	
Bank Swift Code:	
ABA #:	

Client Authorization	
Name:	Yueqing Zhang
Title:	CEO
Signature:	



**DEVELOPMENT  
GROUP**

Fax to: 416-867-4805

Attn: Shelley Jeffers

Date: 23/01/2014

<b>Company Name</b>	JD Development Phillip Street LP
<b>Address:</b>	3601 Highway 7 E. Suite610, Markham, Ontario, L3R 0M3
<b>Telephone:</b>	905-479-9898
<b>Fax:</b>	905-479-9890
<b>Contact Name:</b>	Maggie Liu
<b>Debit Account #:</b>	29491105120

<b>Beneficiary Name:</b>	Chlna Everbest Development International Ltd.
<b>Beneficiary Address:</b>	RM 804, Tower 1, South Seas Centre, T.S.T.EAST, Kowloon , Hongkong
<b>Beneficiary Account:</b>	02753292236223
<b>Amount:</b>	\$2,200,000.00
<b>Currency ID:</b>	CAD

<b>Beneficiary's Bank Information</b>	
<b>Bank Name:</b>	Bank of Communications, Hongkong Branch
<b>Bank Address:</b>	20 Pedder St, Hong Kong
<b>Bank Swift Code:</b>	COMMHKHH
<b>Institution #:</b>	
<b>Tansit #:</b>	
<b>Details of Payment:</b>	

<b>Inter-Bank Information</b>	
<b>Bank Name:</b>	Royal Bank of Canada
<b>Bank Address:</b>	
<b>Bank Swift Code:</b>	ROYCCATE2
<b>ABA #:</b>	

<b>Client Authorization</b>	
<b>Name:</b>	Yueqing Zhang
<b>Title:</b>	CEO
<b>Signature:</b>	



**DEVELOPMENT  
GROUP**

Fax to: 416-867-4805

Attn: Shelley Jeffers

Date: 23/01/2014

<b>Company Name</b>	JD Development Phillip Street LP
<b>Address:</b>	3601 Highway 7 E, Suite610, Markham, Ontario,L3R 0M3
<b>Telephone:</b>	905-479-9898
<b>Fax:</b>	905-479-9890
<b>Contact Name:</b>	Maggie Liu
<b>Debit Account #:</b>	29494706688

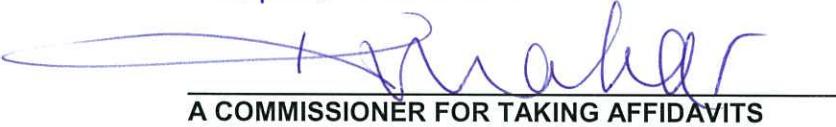
<b>Beneficiary Name:</b>	China Everbest Development International Ltd.
<b>Beneficiary Address:</b>	RM 804, Tower 1, South Seas Centre, T.S.T.EAST, Kowloon , Hongkong
<b>Beneficiary Account:</b>	02753292236223
<b>Amount:</b>	\$3,831,900.00
<b>Currency ID:</b>	USD

<b>Beneficiary's Bank Information</b>	
<b>Bank Name:</b>	Bank of Communications, Hong Kong Branch
<b>Bank Address:</b>	20 Pedder St, Hong Kong
<b>Bank Swift Code:</b>	COMMHKHH
<b>Institution #:</b>	
<b>Tansit #:</b>	
<b>Details of Payment:</b>	

<b>InterBank Information</b>	
<b>Bank Name:</b>	Royal Bank of Canada
<b>Bank Address:</b>	
<b>Bank Swift Code:</b>	ROYCCATE2
<b>ABA #:</b>	

<b>Client Authorization</b>	
<b>Name:</b>	Yueqing Zhang
<b>Title:</b>	CEO
<b>Signature:</b>	

**This is Exhibit "DD" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

  
**A COMMISSIONER FOR TAKING AFFIDAVITS**



DEVELOPMENT  
GROUP

## NOTICE TO PROCEED

Date: January 22, 2014

From:

JD Development Phillip Street Limited  
3601 Highway #7 East, suite 610,  
Markham, Ontario, L3R OM3  
Canada

To:

Melloul Blamey Construction Inc.  
700 Rupert Street, Unit A  
Waterloo Ontario N2V 2B5  
Canada,

RE: Project - Phillip Student Residence Project Building A , Waterloo, Canada  
Contract No.: CCDC 3 – 1998, Cost Plus Contract - MB13-2-003

This is to notify you that work on the above project is scheduled to commence on or before February 1, 2014.

In accordance with the Contract signed Jan. 17, 2014, the work should be completed on or before June 30, 2015.

Sincerely

Yueqing (Julia) Zhang

This is Exhibit "EE" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

  
A COMMISSIONER FOR TAKING AFFIDAVITS



## NOTICE TO PROCEED

Date: January 28, 2014

From:

JD Development Phillip Street Limited  
3601 Highway #7 East, Suite 610,  
Markham, Ontario, L3R OM3  
Canada

To:

The Consortium of China Machinery Engineering Corporation (CMEC) and China Everbest Development International Limited (CED)

China Machinery Engineering Corporation  
No.178, Guang anmenwai Street,  
Beijing  
100055  
P.R. China

China Everbest Development International  
Limited  
FLAT/RM 804,  
Tower I South Seas Centre 75 Mody Road,  
Hong Kong

RE: Project - Phillip Student Residence Project Phase I, Waterloo, Canada  
Contract No.: JD/CMEC/2013-001

This is to notify you that work on the above project is scheduled to commence on or before Jan.30, 2014.

In accordance with the Contract signed Jan. 22, 2013, Amendment #1 signed on July 30, 2013 and Amendment #2 signed on Dec.31, 2013, the work should be completed on or before Jan.29, 2016.

Sincerely

A handwritten signature in black ink, appearing to read 'Yueqing (Julia) Zhang'.

Yueqing (Julia) Zhang

**This is Exhibit "FF" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

  
**A COMMISSIONER FOR TAKING AFFIDAVITS**

# CHINA EVERBEST DEVELOPMENT INTERNATIONAL LIMITED

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong  
Tel:+852 23116028      Fax: +852 35650839

---

## NOTICE TO PROCEED

Date: Jan 30, 2014

From:

China Everbest Development International Limited  
FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

To:

Melloul-Blamey Building Corp.  
700 Rupert Street, Unit A,  
Waterloo, Ontario N2V 2B5  
Canada

**RE: Project – Phillip Student Residence Project Phase I, Waterloo, Canada**  
**Contract No.: CED/MBBC/2014-001**

This is to notify you that work on the above project is scheduled to commence on or before January 30, 2014.

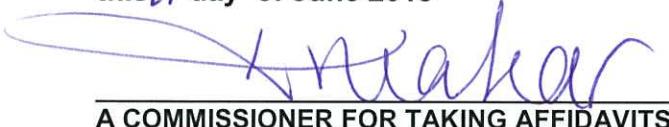
In accordance with the Contract signed on January 22, 2014, the work should be completed on or before September 30, 2015.

Sincerely,



Zhang Zhiliang  
General Manager

This is Exhibit "GG" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

  
A COMMISSIONER FOR TAKING AFFIDAVITS

## **Stoica, Alina**

---

**From:** Zhang Xiaofan <zhangxf@mail.cmec.com>  
**Sent:** Thursday, January 16, 2014 5:25 PM  
**To:** Jennifer Xu  
**Subject:** price table - sample  
**Attachments:** Price table-A.xlsx; sample.xls

---

Zhang Xiaofan

## PRICE TABLE

### PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

In U.S. Dollar

S/N	Description	Amount	Remarks
1	Design		
1.1	Preliminary Design	1,360,000.00	
1.2	Detail Design	930,000.00	
	Sub-total 1. Design	2,290,000.00	
2	Procurement		
2.1	Furniture, Fixtures & Equipment (FF&E)	1,800,000.00	
	Sub-total 2. Procurement	1,800,000.00	
3	Construction		
3.1	Mobilization	820,000.00	
3.2	Site Development	2,020,000.00	
3.3	Building A - 20 Levels plus Mechanical Penthouse		
3.3.1	Shell	12,192,400.00	
3.3.2	Interiors	17,370,200.00	
3.3.3	Services	12,267,400.00	
	Sub-total	41,830,000.00	
3.4	Retail Area		
3.4.1	Shell	1,804,200.00	
3.4.2	Interiors	647,300.00	
3.4.3	Services	328,500.00	
	Sub-total	2,780,000.00	
3.5	Garage		
3.5.1	Shell	19,848,400.00	
3.5.2	Interiors	2,115,300.00	
3.5.3	Services	2,296,300.00	
	Sub-total	24,260,000.00	
	Sub-total 3. Construction	71,710,000.00	
4	Project Management	2,500,000.00	
5	Owner's Scope	2,000,000.00	
	Total Contract Value	80,300,000.00	

This is Exhibit "HH" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

  
A COMMISSIONER FOR TAKING AFFIDAVITS



*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

Julia Zhang  
CEO

Date: Feb 18, 2014

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

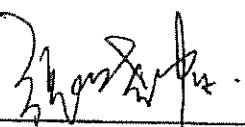
Ms. Zhang,

**Re: Submission of Revised Price Table of Phillip Student Residence Project Phase I**  
**(Contract No. JD/CMEC/2013-001)**

We hereby would like to submit this revised Price Table for your confirmation.

Please be kindly noticed that this amendment shall be recorded as the Attachment One of the Agreement instead of the previous one signed on 22<sup>nd</sup> January, 2013 to the Contract mentioned above.

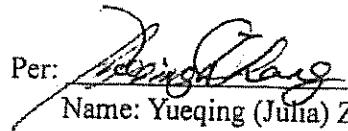
For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

We hereby agree and comfirm the revised Price Table has been accepted.

For: JD Development Phillip Street Ltd.

Per:   
\_\_\_\_\_  
Name: Yueqing (Julia) Zhang  
Title: CEO

Date: Feb 18, 2014

## REVISED PRICE TABLE

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

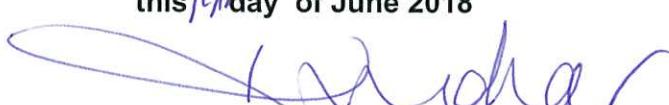
Contract No.: JD/CMEC/2013-001

18-Feb-14

In U.S. Dollar

S/N	Description	Amount	Cost/ GLA/m <sup>2</sup>
1	Soft Cost		
1.1	Design & Engineering	2,029,625.00	111.35
1.2	Pre-Construction	11,492,594.00	630.49
1.3	Legal administration & Site Model Suite	2,359,914.00	129.47
1.4	Other Administration Costs	8,624,119.00	473.12
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>1,344.43</b>
2	FF & E		
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	75.21
2.2	Materials Procurement	1,549,309.00	85.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>160.20</b>
3	Construction		
3.1	General Conditions	2,999,694.00	164.57
3.2	Site Work	1,096,811.00	60.17
3.3	Concrete & Pre-cast	8,837,937.00	484.86
3.4	Masonry	219,881.00	12.06
3.5	Metals	258,593.00	14.19
3.6	Carpentry	428,400.00	23.50
3.7	Thermal & Moisture	1,367,583.00	75.03
3.8	Doors & Windows	1,630,062.00	89.43
3.9	Finishes	2,613,240.00	143.36
3.10	Specialties	84,218.00	4.62
3.11	Equipment	47,124.00	2.59
3.12	Conveying Systems - Elevators	728,280.00	39.95
3.13	Mechanical	3,851,316.00	211.29
3.14	Electrical	1,409,972.00	77.35
3.15	Miscellaneous Costs	866,848.00	47.56
3.16	Construction Contingency	1,713,600.00	94.01
3.17	Project Management	5,861,900.00	321.59
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>1,866.11</b>
4	Financial Cost and Others		
4.1	Export Insurance Policy	2,168,100.00	
4.2	Interest	3,255,000.00	
4.3	Other Cost Related to Financing	2,800,000.00	
4.4	Offshore Management Fee	3,000,000.00	
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	
5	Provisional Sum	7,635,000.00	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	

**This is Exhibit "II" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14 day of June 2018**

  
A COMMISSIONER FOR TAKING AFFIDAVIT



JD DEVELOPMENT  
PHILLIP STREET LIMITED

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## FORM OF REQUEST FOR ADVANCE

May 9, 2014

**China Machinery Engineering Corporation**  
NO. 178, Guanganmenwai Street,  
Xicheng District, Beijing,  
China, 100055

**Re: Rez-one Student Residence Construction Project-----256 Phillip Street, Waterloo, ON---Phase I (Blair House)**

---

Dear Sir:

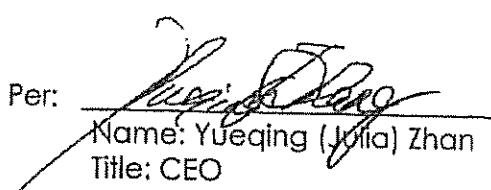
We are requesting US\$ 25,000,000 advance of funds to be used to cover the project costs based on payment schedule (schedule B of the commitment letter).

Thank you for your consideration and please help arrange it.

Sincerely,

**JD Development Phillip Street Ltd.**

Per:



Name: Yueqing (Julia) Zhan  
Title: CEO



JD DEVELOPMENT  
PHILLIP STREET LIMITED

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## FORM OF REQUEST FOR ADVANCE

June 15, 2014

**China Machinery Engineering Corporation**  
NO. 178, Guanganmenwai Street,  
Xicheng District, Beijing,  
China, 100055

**Re: Rez-one Student Residence Construction Project-----256 Phillip Street, Waterloo, ON---Phase I (Blair House)**

---

Dear Sir:

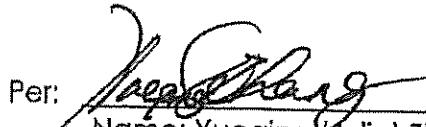
We are requesting US\$ 5,018,107.26 advance of funds to be used to cover the project costs based on payment schedule (schedule B of the commitment letter).

Thank you for your consideration and please help arrange it.

Sincerely,

JD Development Phillip Street Ltd.

Per:



Name: Yueqing (Julia) Zhan  
Title: CEO



JD DEVELOPMENT  
PHILLIP STREET LIMITED

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## FORM OF REQUEST FOR ADVANCE

July 15, 2014

**China Machinery Engineering Corporation**  
NO. 178, Guanganmenwai Street,  
Xicheng District, Beijing,  
China, 100055

**Re: Rez-one Student Residence Construction Project-----256 Phillip Street, Waterloo, ON---Phase I (Blair House)**

---

Dear Sir:

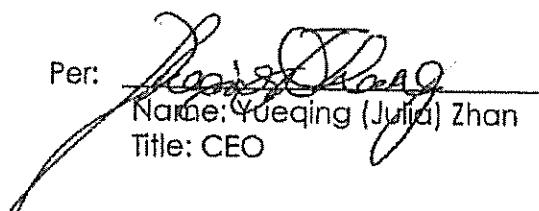
We are requesting US\$ 3,500,000 advance of funds to be used to cover the project costs based on payment schedule (schedule B of the commitment letter).

Thank you for your consideration and please help arrange it.

Sincerely,

JD Development Phillip Street Ltd.

Per:

  
Name: Yueqing (Julia) Zhan  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: August 15, 2014

RE: Advance pursuant to Mortgage and Charge made the 15<sup>th</sup> day of August, 2014 (the "Mortgage")

---

In accordance with Appendix 2 to the Mortgage, we hereby request the Second Advance in the amount of one million United States Dollars (US\$1,000,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$39,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

**JD DEVELOPMENT PHILLIP  
STREET LIMITED**

by

Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: September 15, 2014

RE: Advance pursuant to Mortgage and Charge made the 15<sup>th</sup> day of September, 2014  
(the "Mortgage")

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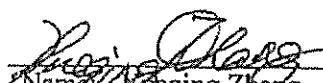
In accordance with Appendix 2 to the Mortgage, we hereby request the Second Advance in the amount of one million United States Dollars (US\$1,500,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$40,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

**JD DEVELOPMENT PHILLIP  
STREET LIMITED**

by

  
Name: Peiqing Zhang  
Title: CEO

REQUEST FOR ADVANCE

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: October 20, 2014

RE: Advance pursuant to Mortgage and Charge made the 20<sup>th</sup> day of October, 2014 (the "Mortgage")

---

In accordance with Appendix 2 to the Mortgage, we hereby request the Second Advance in the amount of one million United States Dollars (US\$2,000,000):

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$41,880,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

Name: Yueqing Zhang

Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: November 20, 2014

RE: Advance pursuant to Mortgage and Charge made the 20<sup>th</sup> day of November, 2014  
(the "Mortgage")

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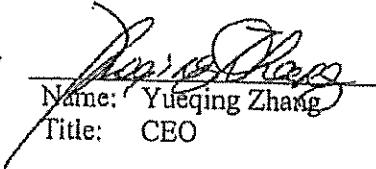
In accordance with Appendix 2 to the Mortgage, we hereby request the Second Advance in the amount of three million United States Dollars (US\$3,000,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$43,880,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

  
Name: Yueqing Zhang

Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: December 19, 2014

RE: Advance pursuant to Mortgage and Charge made the 19<sup>th</sup> day of December, 2014  
(the "Mortgage")

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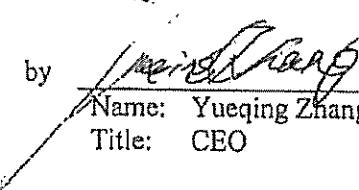
In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of two million and five hundred thousand United States Dollars (US\$2,500,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$46,880,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

  
Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: January 22, 2015

RE: Advance pursuant to Mortgage and Charge made the 22<sup>th</sup> day of January, 2015 (the "Mortgage")

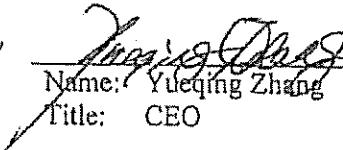
---

In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of two million United States Dollars (US\$2,000,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$49,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by   
Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: February 25, 2015

RE: Advance pursuant to Mortgage and Charge made the 25<sup>th</sup> day of February, 2015  
(the "Mortgage")

---

In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of three million United States Dollars (US\$3,000,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$51,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

  
Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: March 25, 2015

RE: Advance pursuant to Mortgage and Charge made the 25<sup>th</sup> day of March, 2015 (the "Mortgage")

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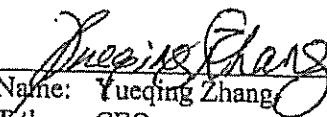
In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of three million United States Dollars (US\$3,000,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$54,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

**JD DEVELOPMENT PHILLIP  
STREET LIMITED**

by

  
Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: May 29, 2015

RE: Advance pursuant to Mortgage and Charge made the 29<sup>th</sup> day of May, 2015 (the "Mortgage")

---

In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of four hundred thousand United States Dollars (US\$400,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$58,980,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

**JD DEVELOPMENT PHILLIP  
STREET LIMITED**

by

  
Name: Yueqing Zhang

Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: June 26, 2015

RE: Advance pursuant to Mortgage and Charge made the 26<sup>th</sup> day of June, 2015 (the "Mortgage")

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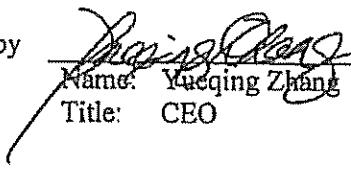
In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of four hundred thousand United States Dollars (US\$400,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$59,380,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

  
Name: Yueqing Zhang

Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: August 26, 2015

RE: Advance pursuant to Mortgage and Charge made the 26<sup>th</sup> day of August, 2015 (the "Mortgage")

---

In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of four hundred thousand United States Dollars (US\$400,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$60,180,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by   
Name: Yueqing Zhang  
Title: CEO

**REQUEST FOR ADVANCE**

TO: CHINA MACHINERY ENGINEERING CORPORATION

FROM: JD DEVELOPMENT PHILLIP STREET LIMITED (the "Mortgagor")

DATE: September 29<sup>th</sup>, 2015

RE: Advance pursuant to Mortgage and Charge made the 29<sup>th</sup> day of September, 2015  
(the "Mortgage")

---

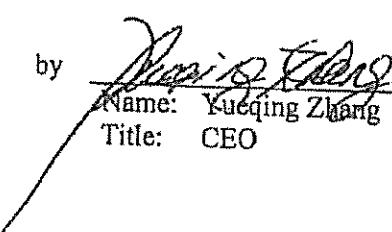
In accordance with Appendix 2 to the Mortgage, we hereby request the Advance in the amount of eight hundred thousand United States Dollars (US\$800,000).

In support thereof, the undersigned, being a senior officer of the Mortgagor with direct knowledge of the Property, hereby certifies that:

- (a) the aggregate amount of all previous Advances is US\$60,580,000;
- (b) the Property has all necessary development approvals and is in compliance with all legal and zoning by-laws and regulations of the area;
- (c) the Improvements lie within the property lines of the Lands and comply with applicable set-back requirements as confirmed by a certificate from a licenced surveyor;
- (d) the soil of the Lands is suitable for the anticipated Improvements; and
- (e) all property taxes and any interim installments thereof have been paid.

JD DEVELOPMENT PHILLIP  
STREET LIMITED

by

  
Name: Yueqing Zhang

Title: CEO

CHINA MACHINERY  
ENGINEERING CORPORATION

v. 2284649 ONTARIO INC., et. al.

Court File No.: CV-18-591534-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**AFFIDAVIT OF YUEQING ZHANG**  
**(Sworn June 14, 2018)**  
**VOLUME 2 OF 3**

**MILLER THOMSON LLP**  
40 King Street West  
Suite 5800  
Toronto, Ontario  
M5H 3S1, Canada

**Kyla Mahar LSO#: 44182G**  
Tel: 416.597.4303 / Fax: 416.595.8695

**Gregory Azeff LSO#: 45324C**  
Tel: 416.595.8695 / Fax: 416.595.2660

Lawyers for the Respondents, 2284649 Ontario Inc.,  
2270613 Limited Partnership and 2270613 Ontario Inc.